

# **INTEGRATED DEVELOPMENT PLAN 2013/14**



GREATER  
**KOKSTAD**  
MUNICIPALITY

PROVINCE OF KWAZULU-NATAL

*Crossing the Rubicon*



## **VISION**

**“TOGETHER BUILDING A CARING AND ECONOMICALLY, VIBRANT CITY WITH CITIZENS’ LIVING A SECURE HEALTHY AND COMFORTABLE ENVIRONMENT”**

## **MISSION**

**PROVIDING SUSTAINABLE SERVICES TO COMMUNITIES THROUGH OPTIMAL AND PROFESSIONAL DEPLOYMENT OF RESOURCES AND ENHANCING ECONOMIC DEVELOPMENT, SAFE AND HEALTHY ENVIRONMENT.**

## **VALUES**

**ACCOUNTABILITY, TRANSPARENCY, HONESTY, INTEGRITY, ACCESSIBILITY, FAIRNESS, DIGNITY AND RESPECT, PROFESSIONALISM, CO-OPERATION AND TRUST**

## Abbreviations Used In This Document

AsgiSA	-	Accelerated and Shared Growth Initiative for SA	SDF	-	Spatial Development Framework
BEE	-	Black Economic Empowerment	SDBIP	-	Service Delivery and Budget Implementation Plan
CBD	-	Central Business District	SDM	-	Sisonke District Municipality
CDW	-	Community Development Worker	SMME	-	Small, Medium and Micro Enterprise
CIF	-	Capital Investment Framework	SOE	-	State Owned Enterprises
CIP	-	Comprehensive Infrastructure Plan	GKM	-	Greater Kokstad Municipality
CS	-	Corporate Services	HIV/AIDS	-	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
DBSA	-	Development Bank of South Africa	IDP	-	Integrated Development Plan
DCOGTA	-	Department of Cooperative Governance and Traditional Affairs	IPD	-	Infrastructure, Planning and Development
DEAT	-	Department of Environment, Agriculture and Tourism	ISDP	-	Integrated Sustainable Development Plan
DME	-	Department of Minerals and Energy	KPA	-	Key Performance Area
DOE	-	Department of Education	KPI	-	Key Performance Indicator
DOHS	-	Department of Human Settlements	KZN	-	KwaZulu-Natal
DOT	-	Department of Transport	LED	-	Local Economic Development
DWAF	-	Department of Water Affairs and Forestry	LRAD	-	Land Redistribution for Agricultural Development
EIA	-	Environmental Impact Assessment	LUMS	-	Land Use Management System
EMP	-	Environmental Management Procedure	MEC	-	Member of the Executive Council (Cooperative Governance and Traditional Affairs)
EPWP	-	Extended Public Works Programme	MFMA	-	Municipal Finance Management Act No. 56 of 2003
EXCO	-	Executive Committee	MIG	-	Municipal Infrastructure Grant
FBS	-	Free Basic Services	MMO	-	Municipal Manager's Office
FS	-	Financial Services	MTEF	-	Medium-Term Expenditure Framework
GE	-	Gender Equity	NDP	-	National Development Plan
GGP	-	Gross Geographical Product	NSDP	-	National Spatial Development Perspective
GIS	-	Geographical Information System	OPMS	-	Organizational Performance Management System
PMU	-	Project Management Unit	OVC	-	Orphaned and Vulnerable Children
PPP	-	Public-Private Partnership	PA	-	Planning Authority
PSEDS	-	Provincial Spatial Economic Development Strategy	PGDS	-	Provincial Growth and Development Strategy
RRTF	-	Rural Road Transport Forum	PMS	-	Performance Management System
SCAP	-	Special Case Area Plan			
SD	-	Social Development			
SEA	-	Strategic Environmental Assessment			

## TABLE OF CONTENTS

<b>VISION</b>	<b>2</b>
<b>MISSION</b>	<b>2</b>
<b>VALUES</b>	<b>2</b>
<b>ABBREVIATIONS USED IN THIS DOCUMENT</b>	<b>3</b>
<b>CHAPTER 1. EXECUTIVE SUMMARY</b>	<b>8</b>
1.1 INTRODUCTION	8
1.2.OVERVIEW OF GREATER KOKSTAD MUNICIPALITY	8
1.2.1.KEY FEATURES OF MUNICIPALITY	9
1.2.2.DEVELOPMENT OF THE IDP REVIEW (HOW THIS PLAN WAS DEVELOPED)	9
1.2.3.CO-ORDINATION, ALIGNMENT AND CONSULTATION STRUCTURE	10
1.2.4.KEY DEVELOPMENT CHALLENGES	13
1.2.5.MUNICIPAL VISION	14
1.2.6.PLANNING AND DEVELOPMENT PRINCIPLES	16
1.2.7.THE IDP STRATEGIC APPROACH (GOVERNMENT PRIORITIES)	17
<b>CHAPTER 2. SITUATIONAL ANALYSIS</b>	<b>20</b>
2.1 LOCAL / REGIONAL CONTEXT	20
2.2 DEMOGRAPHIC ANALYSIS	21
2.2.1POPULATION	21
2.2.2 EDUCATION	22
2.2.3HIV/AIDS	23
2.2.4SPATIAL REALITIES	23
2.2.5LAND REFORM	24
2.2.6ENVIRONMENTAL REALITIES	24
2.2.7APPROACH AND RATIONALE	25
2.3 DISASTER MANAGEMENT	25
2.3.1 MUNICIPAL INSTITUTIONAL CAPACITY RISK	25
2.3.2 RISK REDUCTION & PREVENTION	26
2.3.3 RISK ASSESSMENT	26
2.3.4 TRAINING & AWARENESS	27
2.3.5 DISASTER MANAGEMENT: SWOT ANALYSIS	27
2.4 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT ANALYSIS	28
2.4.1 ORGANISATIONAL DEVELOPMENT	28
2.4.2 INSTITUTIONAL ARRANGEMENTS	29
2.4.3 POWERS & FUNCTIONS	30
2.4.4 ORGANISATIONAL STRUCTURE & ORGANOGRAM	31
2.4.5 MUNICIPAL INSTITUTIONAL CAPACITY & STATUS OF CRITICAL POSTS	40
2.4.6 HUMAN RESOURCE DEVELOPMENT	40
2.4.7 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT: SWOT ANALYSIS	40
2.5 SERVICE DELIVERY & INFRASTRUCTURE ANALYSIS	41
2.5.1 WATER & SANITATION	41
2.5.2 SOLID WASTE MANAGEMENT	45
2.5.3 TRANSPORTATION INFRASTRUCTURE	48
2.5.4. ENERGY	49
2.5.5 ACCESS TO COMMUNITY FACILITIES	51
2.5.6 HUMAN SETTLEMENTS	53
2.5.7 TELECOMMUNICATIONS	54
2.5.8 SERVICE DELIVERY& INFRASTRUCTURE: SWOT ANALYSIS	55
2.6 LOCAL ECONOMIC DEVELOPMENT ANALYSIS	57
2.6.1 MAIN ECONOMIC CONTRIBUTORS	57
2.6.2 MUNICIPAL COMPARATIVE & COMPETITIVE ADVANTAGES	60
2.6.3 AGRICULTURE	63
2.6.4 TOURISM	64

2.6.5 MANUFACTURING (INDUSTRIAL) .....	65
2.6.6 SERVICES .....	65
2.6.7 LOCAL ECONOMIC DEVELOPMENT: SWOT ANALYSIS .....	66
<b>2.7 SOCIAL DEVELOPMENT ANALYSIS .....</b>	<b>67</b>
2.7.1 EDUCATION .....	67
2.7.2 HEALTH .....	68
2.7.3 SAFETY & SECURITY .....	68
2.7.4 COMMUNITY DEVELOPMENT (VULNERABLE GROUPS & YOUTH DEVELOPMENT) .....	68
2.7.5 DEVELOPMENT OF THE PEOPLE WITH DISABILITIES, ELDERLY, WOMEN & PEOPLE AFFECTED BY CRIME, HIV/AIDS, DRUGS, ETC. ....	69
2.7.6 COMMUNITY NEEDS .....	70
<b>2.8 FINANCIAL VIABILITY &amp; MANAGEMENT ANALYSIS .....</b>	<b>81</b>
2.8.1 CAPABILITY OF THE MUNICIPALITY TO EXECUTE CAPITAL PROJECTS .....	81
2.8.2 INDIGENT SUPPORT (INCLUDING FREE BASIC SERVICES) .....	81
2.8.3 MUNICIPAL CONSUMER DEBT POSITION .....	81
2.8.4 REVENUE ENHANCEMENT AND PROTECTION STRATEGIES .....	82
2.8.5 GRANTS & SUBSIDIES .....	82
2.8.6 MUNICIPAL INFRASTRUCTURE ASSETS & MAINTENANCE (O&M) .....	83
2.8.7 CURRENT & PLANNED BORROWINGS .....	83
2.8.8 MUNICIPALITY'S CREDIT RATING .....	84
2.8.9 EMPLOYEE RELATED COSTS (INCLUDING COUNCIL ALLOWANCES) .....	85
2.8.10 SUPPLY CHAIN MANAGEMENT (SCM) .....	85
2.8.11 FINANCIAL VIABILITY & MANAGEMENT: SWOT ANALYSIS .....	85
<b>2.9 GOOD GOVERNANCE &amp; PUBLIC PARTICIPATION ANALYSIS .....</b>	<b>86</b>
2.9.1 NATIONAL AND PROVINCIAL PROGRAMMES ROLL-OUT OF IGR .....	86
2.9.2 MUNICIPAL STRUCTURES .....	86
2.9.3 AUDIT COMMITTEE .....	89
2.9.4 STATUS OF MUNICIPAL POLICIES & BYLAWS .....	89
2.9.5 MUNICIPAL RISK MANAGEMENT .....	90
2.9.6 PUBLIC PARTICIPATION ANALYSIS .....	90
2.9.7 GOOD GOVERNANCE & PUBLIC PARTICIPATION: SWOT ANALYSIS .....	91
2.10 MUNICIPAL SWOT ANALYSIS AND KEY CHALLENGES .....	92
<b>CHAPTER 3. DEVELOPMENT VISION, STRATEGIES AND PROGRAMMES</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.1 PLANNING ALIGNMENT .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
3.1.1 UNITED NATIONS UN MILLENNIUM DEVELOPMENT GOALS (MDG'S) .....	ERROR! BOOKMARK NOT DEFINED.
3.1.2 NATIONAL DEVELOPMENT PLAN (VISION 2030) .....	ERROR! BOOKMARK NOT DEFINED.
3.1.3 NATIONAL GOVERNMENT PROGRAMME OF ACTION 2009-2014 .....	ERROR! BOOKMARK NOT DEFINED.
3.1.4 NATIONAL PRIORITIES ( STATE OF THE NATION ADDRESS 2013) .....	ERROR! BOOKMARK NOT DEFINED.
3.1.5 PROVINCIAL PRIORITIES (STATE OF THE NATION ADDRESS 2013) .....	ERROR! BOOKMARK NOT DEFINED.
3.1.6 PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY .....	ERROR! BOOKMARK NOT DEFINED.
3.1.7 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP) .....	ERROR! BOOKMARK NOT DEFINED.
3.1.8 PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY (PSEDS) .....	ERROR! BOOKMARK NOT DEFINED.
3.1.9 INTEGRATED SUSTAINABLE DEVELOPMENT PLAN (ISDP) .....	ERROR! BOOKMARK NOT DEFINED.
3.1.10 DELIVERY AGREEMENT OUTCOME NINE (9) .....	ERROR! BOOKMARK NOT DEFINED.
3.1.11 DEVELOPMENT CHALLENGES .....	ERROR! BOOKMARK NOT DEFINED.
<b>3.2 KEY ALGINMENT AREAS OF THE FIVE YEAR LOCAL GOVERNMENT STRATEGIC AGENDA</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.2.1 BASIC SERVICE DELIVERY .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.2.2 LOCAL ECONOMIC DEVELOPMENT .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.2.3 GOOD GOVERNANCE AND PUBLIC PARTICIPATION .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.2.4 INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.2.5 FINANCIAL VIABILITY AND MANAGEMENT .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.2.6 SPATIAL AND ENVIRONMENTAL PLANNING .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.3 MUNICIPAL VISION .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>3.4 MUNICIPAL STRATEGIC FRAMEWORK .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>CHAPTER 4. SPATIAL DEVELOPMENT FRAMEWORK REVIEW (2013-2014)</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>

<b>4.1 INTRODUCTION .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.2 SPATIAL INTERPRETATION OF THE IDP .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.3 SPATIAL PROJECT PRIORITISATION .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.4 THE SPATIAL DEVELOPMENT FRAMEWORK .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.4.1 STRATEGIC OBJECTIVES .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.5 SPATIAL TOOLS AND CONCEPTS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.5.1 CONCEPTUAL FRAMEWORK .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.5.2 NODES .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.5.3 CORRIDORS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.5.3 SURFACES AND OTHER DEVELOPMENT ASPECTS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.6 SPATIAL POLICIES AND STRATEGIES .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.6.1 NODES .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.7 CORRIDORS/NETWORKS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.7.1 ACTIVITY SPINES .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.8 SPATIAL PLANNING TOOLS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.8.1 THE URBAN EDGE .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.8.3 SMART GROWTH .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.9 DEVELOPMENT SURFACES .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.9.1 NATURAL OPEN SPACE SYSTEM .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.9.2 AGRICULTURAL LAND .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.9.3 CULTURAL HERITAGE .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.9.4 TOURISM .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.9.5 TOWN IMAGE AND PUBLIC SPACES .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.10 RURAL DEVELOPMENT .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.10.1 GENERAL GUIDELINES FOR RURAL SETTLEMENTS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.10.2 RURAL HOUSING DEVELOPMENT .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.11 SPATIAL INTERVENTIONS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.11.1 THE KOKSTAD MUNICIPAL SDF .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.11.2 THE KOKSTAD TOWN NODE .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.11.3 THE FRANKLIN NODE .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.11.4 THE SWARTBERG NODE .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.12. IMPLEMENTATION FRAMEWORK .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.12.1 IMPLEMENTATION STRATEGY .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.12.2 SUSTAINABLE DEVELOPMENT .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.13 IMPLEMENTATION OF SDF SUPPORT PROJECTS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.13.1 REDIRECTING THE IMPETUS OF THE IDP .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.13.2 BUDGET ALIGNMENTS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.13.3 FURTHER ISSUES REQUIRING ATTENTION .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.14 MONITORING AND EVALUATION .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>CHAPTER 5. SECTOR PLANS AND SECTOR INVOLVEMENT .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>5.1 SECTOR PLANS .....</b>	<b>131</b>
<b>5.2 GOVERNMENT DEPARTMENTS .....</b>	<b>131</b>
<b>CHAPTER 6. IDP IMPLEMENTATION .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>6.1 FIVE YEAR IMPLEMENTATION PLAN .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>6.2 THREE CAPITAL WORKS PROGRAMME .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>6.3 ELECTRICAL PROJECTS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>6.4 MUNICIPAL CAPITAL PROJECTS FOR THE 2013/14 FINANCIAL YEAR .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>6.5 GREATER KOKSTAD MUNICIPALITY'S SERVICE DELIVERY PLAN: CATALYTIC PROJECTS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>CHAPTER 7. SDBIP AND FINANCIAL PLAN .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>7.1 SDBIP .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>7.1.1 THE SDBIP CONTRACT .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>7.2 COMPONENTS OF SDBIP .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>7.3 FINANCIAL PLAN .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>7.3.1 BUDGET PREPARATION ASSUMPTIONS .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>7.3.2 PROPOSED OPERATING AND CAPITAL BUDGET .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>

7.3.2 DRAFT SALARIES BUDGET .....	ERROR! BOOKMARK NOT DEFINED.
7.3.4 PROPOSED OPERATING AND CAPITAL BUDGET SUMMARY BY MAIN VOTES.....	ERROR! BOOKMARK NOT DEFINED.
7.3.5 CONDITIONAL AND UNCONDITIONAL GRANTS .....	ERROR! BOOKMARK NOT DEFINED.
7.3.6 PROPOSED DRAFT CAPITAL BUDGET PER FUNDING SOURCE.....	ERROR! BOOKMARK NOT DEFINED.
7.3.7PROPOSED DRAFT TOTAL CAPITAL AND OPERATING BUDGET.....	ERROR! BOOKMARK NOT DEFINED.
7.4 PROPOSED BUDGET REVENUE .....	ERROR! BOOKMARK NOT DEFINED.
CHAPTER 8. PERFORMANCE MANAGMENT SYSTEMS.....	ERROR! BOOKMARK NOT DEFINED.
ANNEXURES .....	ERROR! BOOKMARK NOT DEFINED.
APPENDIX .....	ERROR! BOOKMARK NOT DEFINED.
ADDENDUM.....	ERROR! BOOKMARK NOT DEFINED.



# CHAPTER 1:

## EXECUTIVE SUMMARY

### 1.1 INTRODUCTION

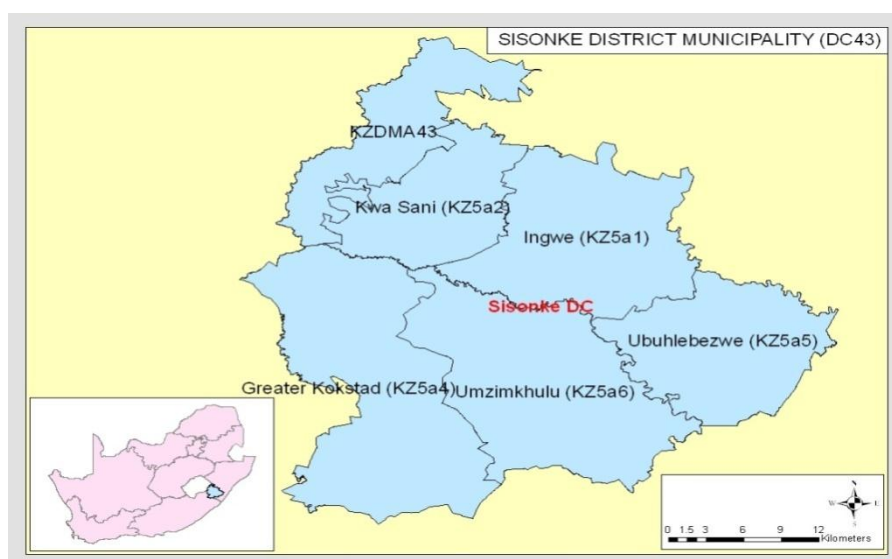
A Comprehensive Integrated Development Plan for the Greater Kokstad Municipality, covering the period between 2012–2017 was formulated and adopted in June 2012 in terms of the Local Government Municipal System Act (Act 32 of 2000). This document presents the **first review** (2013/2014) of the third comprehensive IDP prepared for Greater Kokstad Municipality for the period of 2012/2013 – 2016/2017.

This IDP has been developed in accordance with Section 34 of the Local Government Municipal Systems Act, 2000 (Act No.32 of 2000) which stipulates that, the Council must review its integrated development plan annually in accordance with an assessment of its performance in terms of Section 41 and to an extent that changing circumstances so demand.

The structure of the document is simple but direct, in order to enable and facilitate its implementation. The document is structured as follows:

- ❖ **Section A** Provides an Executive Summary with an overview of the municipality, key features of the municipality, participatory mechanisms and processes including how the IDP was developed. The Planning and Development Principles as well as Government Policies and Imperatives as stipulated in the revised IDP framework guidelines are also covered in this section.
- ❖ **Section B provides** the situational analysis of the municipality and identification of key issues that need to be addressed within the IDP.
- ❖ **Section C** Presents the development Vision, Goals, Objectives and Strategies for the Greater Kokstad Municipality.
- ❖ **Section D** provides a high level overview of the municipal spatial development vision in the form of a Spatial Development Framework (SDF).
- ❖ **Section E** presents stakeholder and sector department involvement and the status of Sector Plans.
- ❖ **Section F** details the Five Year Implementation Plan..
- ❖ **Section G** presents the municipal three (3) year Financial Plan.
- ❖ **Section H** presents the Performance Management System: both organizational/institutional and individual.
- ❖ **Section J** presents details on the status of applicable Sector Plans.

### 1.2 OVERVIEW OF GREATER KOKSTAD MUNICIPALITY



*Map 1 Showing Sisonke District Municipal location and Local Municipalities*

As shown in the map above the Greater Kokstad Municipality forms part of the Sisonke District Municipality area (DC43), which lies on the south western tip of KwaZulu-Natal, bordered by Matatiela Local Municipality on the West, Lesotho and part of Eastern Cape on the South East.



The Greater Kokstad Municipal area of jurisdiction is approximately 2679, 8370 square kilometres in extent and it shares its borders with UMzimkhulu, KwaSani, Matatiela, Umziwabantu local municipalities. The Greater Kokstad Municipality functions as the district node and dominant commercial centre in the Sisonke District.

Urban areas in the Greater Kokstad Municipality comprise of Kokstad Town and Franklin. Land uses within these areas are typically urban mixed uses with acceptable levels of infrastructural and service development and a minimal provision of social facilities as well as services to support the resident populations. Industrial development is concentrated in Kokstad Town.

The Greater Kokstad Municipality is crossed by a number of important transportation routes, such as the N2 Development Corridor that links the area to the major economic hubs of Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province. The town of Kokstad has a good location being on the N2 between the north east and Umtata in the South. Other regional access roads include the R56 to Cedarville and Matatiela in the west and the R617 to Franklin, Swartberg, Underberg and Pietermaritzburg to the north of the municipality.

The town of Kokstad is of great historical significance; in 1820 the town became the capital of the Griqualand Colony. Andries Waterboer was elected as the first Captain. Unhappy with this result, a large group of Griquas, under the leadership of Adam Kok III, moved away and first settled in Philippolis in the Free State. In the 1860s, encountering friction with the Dutch-Afrikaans pioneers (Voortrekkers) they departed from Philippolis and moved further east across the Drakensberg to the vicinity of the modern Kokstad. At that stage the area's previous population had been exterminated by the Zulu forces of King Shaka, so the land was quite empty, and called No Man's Land. Adam Kok named this area East Griqualand.

The Griquas settled on the steep mountain slopes, living in mud huts. They named this mountain *Mount Currie* after Sir Walter Currie who supported their efforts to settle here. In 1869 the Reverend William Dower was asked by the Griquas to establish a mission. He agreed on condition that they resettle in a more suitable place on the banks of the Umzimhlava River. The town was built at this location. Kokstad Town is also considered as the administrative centre of the Greater Kokstad Municipality

### **1.2.1 Key Features of Municipality**

The strategic location of Greater Kokstad Municipality along the N2 Development Corridor links the area to the major economic nodes of Port Shepstone and Durban in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province. Therefore Greater Kokstad has an advantage of strategically re-aligning the district into a competitive and attractive investment destination, and has the potential to become a major logistics hub player for the region.

The strategic positioning of GKM has the potential to be the area of choice for various investors and the "best place" to visit and settle in. This positioning is informed by the strategic location of GKM within the district and neighbouring municipalities. In addition, GKM enjoys a competitive advantage because of its relatively developed infrastructure. The existence of the railway line within the municipality gives it an added advantage because once rehabilitated it will ensure improved and efficient markets access.

The Greater Kokstad Municipality has developed itself into a growing regional service centre, which fulfils very important economic and social roles in the greater region. The hinterland that relies on Kokstad is vast reaching far into the Eastern Cape's territory which is characterized by dire poverty, unemployment, lack of services, poor infrastructure, and declining health and welfare as HIV/Aids torments the region.

GKM comprises various government sectors, all basic shopping facilities, financial services, doctors, churches, bed and breakfast and community facilities such as halls, recreational centers, and superb homes in a quite relaxed environment. It has a very strong agricultural foundation based on milk, meat and maize and this base forms a critical part of the local economy. It has rich abundance of unique and attractive natural, cultural resources and open space amenities that could be used to enhance and optimize the quality and experience of the town.

### **1.2.2 Development of The IDP Review (How This Plan Was Developed)**

This IDP Review for the Greater Kokstad Municipality has been developed "in house". This decision was taken to ensure that ownership of the process and product remains within the municipality. The services of service providers were only required and used for specialized tasks, such as the reviewing of the municipal Spatial Development Framework.

The review of the Greater Kokstad Municipality was developed through a consultative, open and transparent process in which the broad public, stakeholders, officials and Councilors provided inputs into gaps and changing circumstances within their area of jurisdiction. A draft Process Plan to guide the 2013/2014 IDP Review was considered and submitted to the Greater Kokstad Municipal Council on the 25<sup>th</sup> of October 2012. This process plan sets out comprehensively the process of review, including timeframes for achieving certain milestones. It detailed responsibilities, methodology, mechanism for community participation and mechanism for alignment with other stakeholders. More details on Greater Kokstad 2013/14 IDP Process Plan are attached as **Addendum L1**.

### 1.2.2.1 The Legislative Mandates

The legal mandates for developing and revising the IDP are found in the following Prescripts:

- ❖ Section 153 of the Constitution of The Republic of South Africa requires municipalities to manage their administration, budgeting and planning processes in such a way that they give priority to the basic needs of communities in order to promote the social and economic development of the communities.
- ❖ Section 84(1) (a) of the Local Government Municipal Structures Act details the function and powers upon municipalities to carry out Integrated Development Planning within their areas of jurisdiction.
- ❖ Section 25(1) of the Local Government Municipal Systems Act requires municipal councils to adopt a single inclusive strategic plan for the development of municipalities which:
  - ✓ Links, integrates and coordinates plans
  - ✓ Aligns resources
  - ✓ Forms policy which informs the budget
  - ✓ Is compatible with national and provincial plans
- ❖ Section 34 of the Municipal Systems Act requires municipalities to review and amend their IDP's on an annual basis in accordance with changing circumstances.

### 1.2.2.2 Situational Analysis

Detailed situational analysis of the Greater Kokstad Municipality is tabled in Section B. The issues and challenges covered in the chapter are as follows;

- ❖ Locality
- ❖ Population
- ❖ Socio Economic Trends
- ❖ HIV/Aids
- ❖ Spatial Realities
- ❖ Land Reform
- ❖ Environment Realities
- ❖ Economic Development
- ❖ Climate Change
- ❖ Infrastructure Delivery
- ❖ Human Settlement
- ❖ Social and Community Development

### 1.2.3 Co-Ordination, Alignment and Consultation Structure

Public, stakeholder and role-player participation are key in the compilation of the integrated development plan (IDP). The IDP is one of the key tools for local government to tackle its local government developmental functions; roles and responsibilities. The Integrated Development Plan is seen as a strategic function of municipal management: as part of an integrated system of planning and services delivery. The objective of the IDP process is to facilitate deliberations resulting in decisions being made regarding the strategic development direction of the municipality and includes issues such as municipal budget, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner. The IDP is, however, not only a process and document that aims to inform municipal management but it is intended to guide the activities of any agency of government, corporate service providers, SOEs, NGOs and the private sector within the municipal area.

The organizational arrangements in terms of functions and responsibilities in driving the planning process for the Greater Kokstad Municipality IDP are illustrated in Figure 1 below:

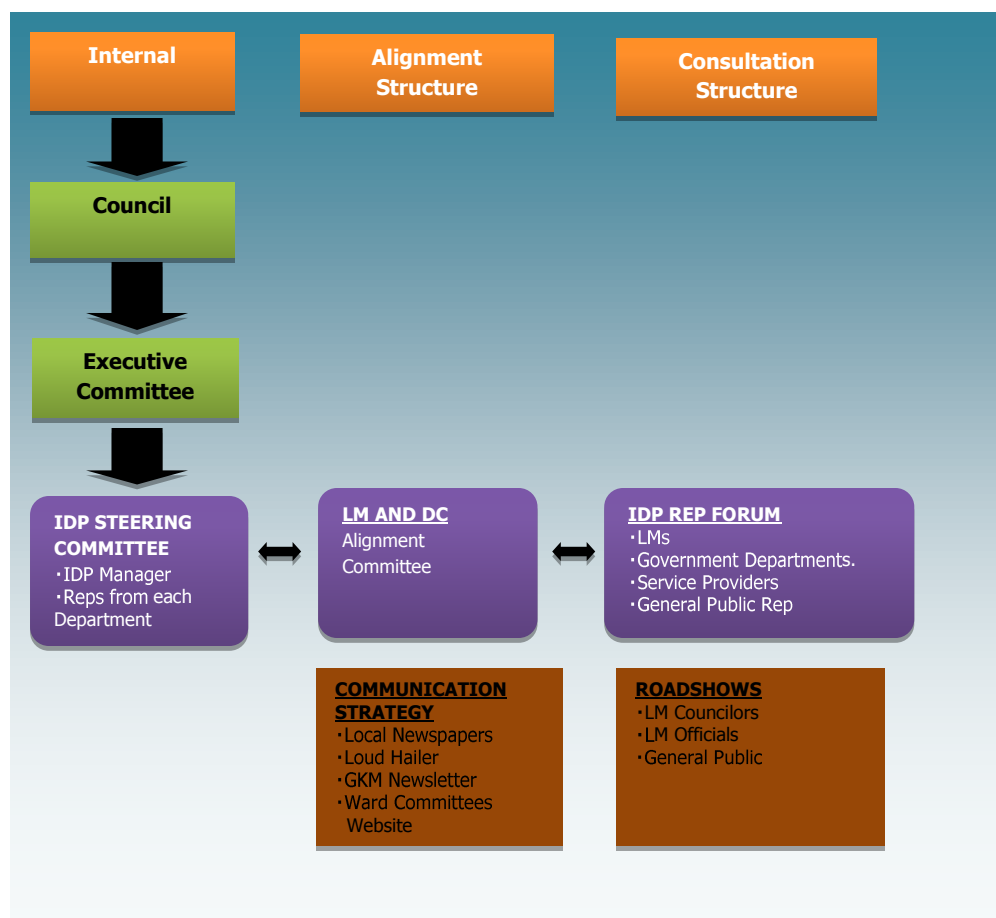


Figure 1: Organizational Arrangements

### 1.2.3.1 IDP Steering Committee

The IDP Steering Committee comprises the IDP Manager and Representatives from each department of the municipality. This committee is actively involved in the planning process of the municipality and they are responsible for overall management, research, coordination, monitoring and drafting of the IDP.

### 1.2.3.2 IDP Representative Forum

The IDP Representative Forum is made of Councilors and Management of the municipality, various sector departments, NGOs, CBOs, Traditional Leaders, Farmers Associations, Services Providers, Business Representatives, and General Members of the Public. The Mayor chairs the IDP Representative Forum Meetings.

### 1.2.3.3 Local and district Municipality's alignment's

GKM participate in all district-level alignment events and specific alignment meetings. Aspects of all technical issues that need to be aligned are discussed at this meeting.

### 1.2.3.4 Alignment with Sector Departments

Meetings were held with the under-listed Sector Departments in order to ensure maximum alignment in terms of future projects, priorities and project funding. Two IDP Representative Forum meetings were held in October 2012 and March 2013, while one on one meeting was

held during the month of January 2013. Liaison with the departments is continuous in order to ensure the IDP remains updated. The departments are as follows:

- ❖ KZN Department of Transport;
- ❖ KZN Department of Health;
- ❖ KZN Department of Cooperative Governance & Traditional Affairs ;
- ❖ KZN Department of Human Settlement;
- ❖ KZN Department of Arts and Culture ,
- ❖ KZN Department of Agriculture.
- ❖ KZN Department of Economic Development
- ❖ KZN Department of Sports and Recreation and
- ❖ Department of Rural Development and Land Reform and

### 1.2.3.5 Sector Department and Other Services Providers Alignment

Furthermore, the GKM has been facilitating engagement with individual sector departments and service providers on a one on one basis. This allows for the participants to give effective attention to technical considerations required in a focused, one-on-one session.

### 1.2.3.6 Cross-Border Alignment

The GKM engages with neighbouring municipalities (District and locals) about cross border planning and development issues. The Provincial Department representatives have been invited to IDP Representative Forum Meetings where cross border development issues are discussed, such as:

- ❖ Projects that have a service delivery or developmental impact across municipal boundaries, e.g. transport system, large water infrastructure projects;

### 1.2.3.7 Road-shows

In order to ensure that the municipality's IDP and Budget compilation are driven by public participation processes, and inclusive - the municipality conducted a series of IDP and Budget Road-shows. These road shows allowed community participation through a facilitated approach, which enabled community members to raise and prioritise their needs and discuss various development related issues within their wards as well as the municipality in general.

Attendance in these Road-shows by large numbers of community members was overwhelming thus it can be concluded without fears and any contradictions that the Road-shows were successful and met the desired outcomes. This IDP commends support given by the Ward Committees and Ward Clerks who performed their duties well in enhancing community participation in the planning processes.

Table 1 below tabulates information pertaining wards attendance of the road shows (date, time and venue)

WARD	DATE	DAY	TIME	VENUE
6	18 November 2012	Sunday	10h00	Resfontain School
6	18 November 2012	Sunday	14h00	Newmarket School
1	19 November 2012	Monday	10h00	JJ Mhlongo Hall
1	19 November 2012	Monday	13h00	Qhinga lendlala
5	04 December 2012	Tuesday	17h00	Thuntulwana Hall
7	20 November 2012	Tuesday	14h00	Shayamoya Hall
8	20 November 2012	Tuesday	17 h00	Thuntulwana Hall
2	21 November 2012	Wednesday	10h00	Kransdraai Community Hall
2	21 November 2012	Wednesday	13h00	Swartberg
2	21 November 2012	Wednesday	15h30	Franklin Community hall
3	21 November 2012	Wednesday	17h30	Kokstad Community Hall
6	22 November 2012	Thursday	10h00	Pakkies Thibane school
6	22 November 2012	Thursday	13h00	Thuthuka Ngele/farm house
6	22 November 2012	Thursday	17h00	Extension 7 C/ Hall
4	23 November 2012	Friday	12 h00	Shayamoya sportsfield

All wards	27 November 2012	Tuesday	10h00	Bhongwani stadium
-----------	------------------	---------	-------	-------------------

**Table 1: Road Show**

### 1.2.3.8 Public Participation & Communication Strategy

The municipality developed a communication strategy which was aimed at ensuring that its decision making systems balance the need for efficiency and speed, with transparency and meaningful participation of citizens and other stakeholders.

Some of the tools used during the IDP review process, as contained in the Communication and Public Participation Strategy, were:

- ❖ Road-shows, two to three per ward depending on size of the ward;
- ❖ Local newspapers for advertising and targeted communication;
- ❖ GKM Quarterly External Newsletter;
- ❖ GKM website;
- ❖ Loud Hailer;
- ❖ Public notices located in various strategic locations throughout the municipal area;
- ❖ IDP Alignment Stakeholder Forum meetings;
- ❖ Planners Forum meetings.

Local Newspapers (Advertiser and East Griqualand Fever) were utilized to inform the community of the IDP process and to invite community members to participate in the development of the IDP review.

The mechanisms mentioned above collectively contribute towards ensuring a successful participation process through consideration of community needs.

The Ward Committees and Ward Clerks have been utilized as the vehicle to ensure effective interaction and communication between the municipality and its citizens, around broader development issues including the IDP review.

### 1.2.4 KEY DEVELOPMENT CHALLENGES

GKM enjoys a competitive advantage because of its relatively developed infrastructure. The existence of the railway line within the municipality gives it an added advantage because once rehabilitated it will ensure improved and efficient markets access. The **agricultural sector** dominates the municipal economy. The dominating products are timber production, citrus farming, livestock (dairy, beef and sheep production) and cropping (potatoes, maize, soya, essential oils).

The industrial sector – opportunity exists in the GKM for processing of agricultural goods in the form of Timber milling and the manufacturing and marketing of wood products. The Greater Kokstad Municipality is crossed by a number of important transportation routes, such as the N2 Development Corridor that links the area to the major economic hubs such as Port Shepstone and Durban in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province. The town of Kokstad has good location being on the N2 between the north east and Umtata in the South. Other regional access roads include the R56 to Cedarville and Matatiele in the west and the R617 to Franklin, Swartberg, Underberg and Pietermaritzburg in the north of the municipality.

#### Development Challenges

Significant strides have been made to address the key development challenges in the Municipality. While significant progress has been achieved, more work still needs to be done towards addressing the following challenges:

Basic service Delivery	Good Governance and Public Participation	Local Economic Development	Financial viability and Management	Institutional Development	Spatial Planning and environmental management
Limited access to basic household and community services particularly people living in rural areas;	Increased incidents of HIV/AIDS and communicable diseases;	High rates of unemployment and low economic growth	Ensuring financial sustainability;	High staff turnover	Loss of Natural Capital;

Basic service Delivery	Good Governance and Public Participation	Local Economic Development	Financial viability and Management	Institutional Development	Spatial Planning and environmental management
Ensuring adequate energy and water supply	High levels of crime and risk;	High levels of poverty	Culture of non-payment for services	Cascading performance management to lower levels of staff	Unsustainable developmental practices;
Infrastructure degradation;		Low levels of skills development and literacy;	Short periods served by appointed personnel	Implementation of the WSP.	Climate change;
Global economic - cyclical decline		Ensuring food security;	Customer data not cleansed electricity thefts and tempering (electricity losses)		

**Table 2: Key Development challenges per KPA**

### 1.2.5 MUNICIPAL VISION

The municipality's long term vision states;

**“Together building a caring and economically, vibrant city with citizens’ living a secure healthy and comfortable Environment”**

Interesting to note this vision acknowledges the diverse community of the GKM, the role of the Kokstad Town, the core mandate of the GKM and a wide service threshold which includes the whole of Sisonke District and the northern parts of the Eastern Cape Province. It also acknowledges that the GKM is located in an environmentally sensitive area, and this provides the basis for tourism development.

Over the past year the Greater Kokstad Municipality has focused their operations, actions and interventions according to its nine development goals which were developed based on the provincial goals as outlined in the PGDS:

- ❖ To ensure human and utilization of natural resources are in harmony;
- ❖ To create safe, health and sustainable living environment;
- ❖ To ensure all employable people are employed;
- ❖ To develop more equitable society;
- ❖ To ensure that all people have access to basic services;
- ❖ To boost investors' confidence to invest in GKM;
- ❖ To create option for people on where and how they opt to live, work and play;
- ❖ To provide strong and decisive leadership;
- ❖ To foster social compact;

The Greater Kokstad Municipality has taken the decision to retain the above development goals for this IDP cycle of five years: given that their organizational functioning is well aligned to these goals. These goals are further broken down into 20 objectives that are highlighted in section C of the Document. The Goals and objectives are linked to the five national KPA's including the sixth provincial KPA (spatial planning and environmental). These guide the performance of the municipality and are cascaded down to the organisational scorecard which is attached. The objectives and strategies are implemented through the organisational scorecard and the service delivery and budget and implementation plan these are monitored on a monthly basis.

## Spatial and Geographic Considerations

Given our Municipality's unique and diverse spatial landscape, a concerted attempt has been made to interrogate programmes and projects in terms of our key development dialogues, with due regard to the particular locale of the project. This analysis will be done within the context of our overall spatial framework which divides the municipal area into primary, secondary and tertiary nodes.

## Implementation of the IDP

The IDP drives the strategic development of the Municipality and that detail is tabled in Section C. The Municipality's budget is influenced by the strategic objectives identified in the IDP. The service delivery budget implementation plan (SDBIP) ensures that the Municipality implements programmes and projects based on the IDP targets and associated budgets. The performance of the Municipality is clearly shown in its Annual Report. There is a public participation and consultation process associated with each of the processes identified.

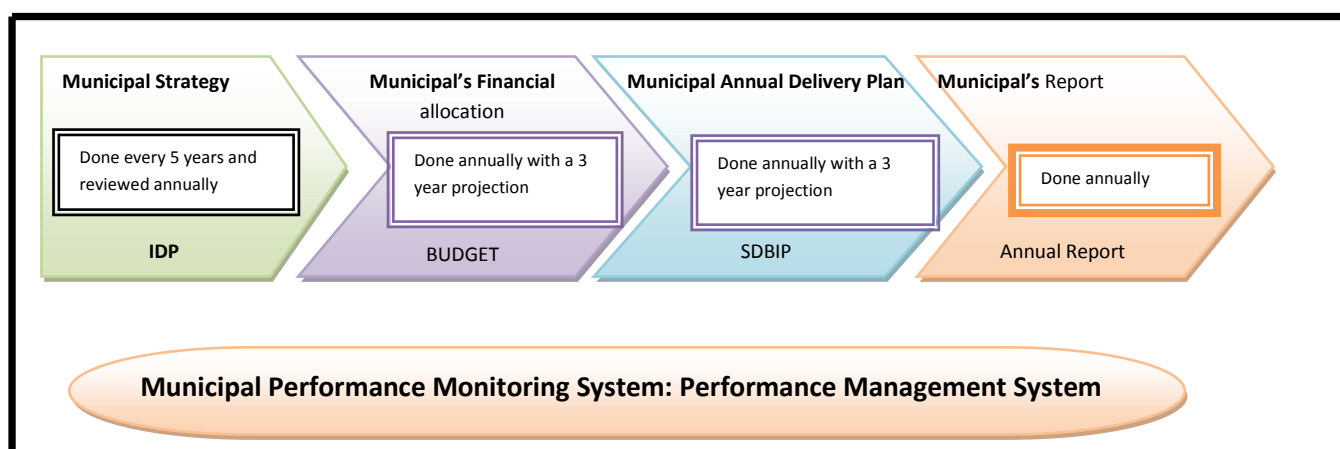


Figure 2: IDP implementation

## SDBIP

The SDBIP gives effect to the implementation of the Municipality's IDP over the 2012/2013 financial year. The SDBIP further aligns the budget to the IDP priorities. The SDBIP provides a credible information management plan to ensure that service delivery targets and other performance management indicators are achieved.

## Annual Report

The annual report provides a collation of the year's activities as recorded by the scorecard, the budget and the quarterly targets.

## Performance Monitoring & Evaluation System

The Municipal scorecard sets the broad five year targets which are assessed annually. Five-year targets coincide with the term of the new office of Councilors. The performance management system is broken down into the development of the individual performance plans for senior management and the revision of the municipal scorecard. The Municipal scorecard can be read with the national KPAs and against the nine goals in the IDP. The five National Key Performance Areas are:

1. Basic Service Delivery
2. Local Economic Development (LED)
3. Good Governance and Public Participation
4. Municipal Institutional Development and Transformation
5. Municipal Financial Viability and Management

## **1.2.6 PLANNING AND DEVELOPMENT PRINCIPLES**

### **1.2.6.1 Integration**

Integration - whether spatial, sectoral or socio-economic - is fundamental to sustainable development. Segregated societies - whether by income or ethnicity - are not and cannot be sustainable. At a project level, sustainable projects need to ensure integration of all developmental issues including transport, planning, economic development, etc. Vertical integration among the various levels of government and bodies involved in territorial governance (local, regional, national, private sector, civil society, etc.), and horizontal integration, among the various sectors of public action, are also key to achieving sustainable development.

### **1.2.6.2 Accessibility**

Accessibility is based on the systematic and principled equitable access to recreation, including a choice of safe and efficient transport modes (e.g. public transport, private vehicle, bicycle, walking and wheelchair). Accessibility also comprises of convenient and dignified access to private and public spaces for people with impaired mobility. If a public environment is valued, attractive and well used, then people must be able to get to it and move around in it with ease. Access combined with the ability to see into and understand places that cannot be physically reached are crucial qualities of a public environment. Good access depends above all on walking however, routes for bikes, prams, wheelchairs, cars and public transport are also important, as are connections between them. A choice of routes is important, to support different modes of travel, to link different destinations, to provide different experiences, and to avoid isolated places or other temporary impediments.

Physical access needs to be supported by a confident belief that a place can be reached. Good public spaces invite freedom of access and avoid limits, isolation or coercion. Visual access means clear views, signs or other visual cues and being able to see other people, all of which help us to negotiate a place. Without these invitations and reassurances, even the most comprehensive street system can remain uninviting.

### **1.2.6.3 Inclusiveness and Interaction**

Provided they respect others, everyone has the right to use and enjoy public space, regardless of mobility, gender or socio-economic status. People meet there as fellow citizens. Interaction, even among strangers, exposes people to cultural diversity. People learn from one another, increase their sophistication and tolerance, and explore shared values. They are confronted by differences, inequities and weaknesses in our society and while this may seem threatening, it can lead to some greater understanding of their responsibilities towards fellow citizens. Meeting acquaintances gives opportunities for sharing information and other kinds of support, and it promotes community cohesion and social health. Good urban design supports this civic interaction. It ensures equity of access throughout the public environment for all people. It encourages the orientation of activities towards the public realm rather than into private enclaves. Citizens are treated as the collective owners of public space and encourage them to use it in comfort and without sanction.

### **1.2.6.4 Legibility and Sense of Place**

'Legibility' concerns people's ability to read the urban environment - to interpret what they see, to get useful information. Which streets lead through an area rather than running into a barrier? Where is it dangerous to walk? Reading is affected by legibility. As with prose, city spaces can be poorly organized or cluttered in such a way that important information is hidden. Features with particular meanings may be used in confusing ways. A well-designed city, like good writing, needs to be intelligible to its audience, the public.

Places are valued because of qualities that make them distinctive from other places - because of their character. The form and character of urban areas is an expression of our needs and aspirations. In addition to our own will, it can express our respect for nature, heritage and other people. Sense of place or the identity of a city can be closely linked to our own sense of identity; both shape each other. Urban design should understand, protect, develop and celebrate local character.



### 1.2.7 THE IDP STRATEGIC APPROACH (GOVERNMENT PRIORITIES)

Section C of this document precisely highlights how the **Long Term Municipality Vision** will be translated into an effective plan that aligns the municipal budgets, monitoring and evaluating mechanisms as well as the timeframes for delivery. The Municipality has taken the strategic direction to achieve closer alignment between the Long Term Development objectives and the IDP (in the context of International, National, Provincial and Local development policies).

The development of the strategic approach for the Municipality is guided by – but not limited to – the following:

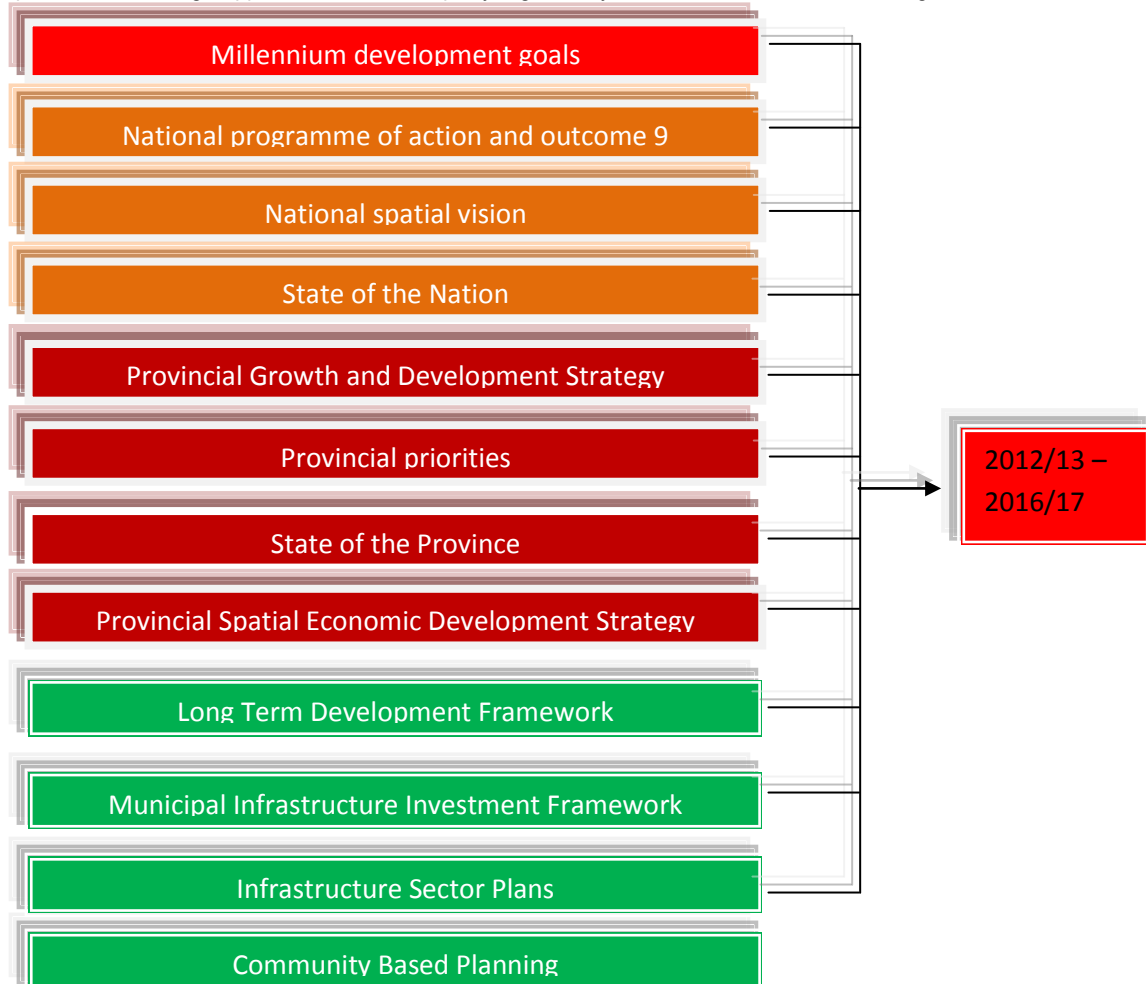


Figure 3: Strategic approach

#### 1.2.7.1 Millennium Development Goals (MDGs)

The aim of the MDGs is to encourage development by improving social and economic conditions. It provides a framework for the entire international community to work together towards a common end i.e. making sure that human development reaches everyone, everywhere.

#### 1.2.7.2 National Development Plan (Vision 2030)

The intention of this plan is to improve service delivery for citizens of South Africa, whilst integrating national, provincial and local policies and programmes into a single, target orientated and long term based plan. In this plan a collective approach of improving the lives of the citizens is applied, and communities themselves have a role to play in this regard.

#### 1.2.7.3 Delivery Agreement: Outcome 9

The Municipality responds to the Delivery Agreement: Outcome 9. This outcome intends to ensure a responsive, accountable, effective and efficient local government system with an intention of restoring the confidence of citizens in the local government sphere.

#### 1.2.7.4 National Government Programme of Action 2009-2014

The government has identified 10 priority areas in its programme of action, with an intention to turn around the global economic slowdown, whilst at the same time ensuring that the needs of all its citizens are met.

#### 1.2.7.5 National Priorities (State of the Nation Address 2013)

Highlights have been identified on the 860 billion rand infrastructure investment made between March 2009 and March 2013. A highlight on key infrastructure projects ranging from transport, water and electricity were identified across the county. The national Development plan was identified as a plan that can put the economy on a better footing. The target for job creation is set at 11 million by 2030 and the economy needs to grow threefold to create the desired jobs. Progress on the five priorities which are - education, health, the fight against crime, creating decent work as well as rural development and land reform was given. Numerous youth improvement programmes were identified and mention was made on promotion of cultural heritage and social-cohesion. These are critical in the context of Greater Kokstad municipality. The table below reveals how far the GKM has gone in aligning national government priorities in its planning and implementation process.

**Table 3: GKM's Contribution to the Five Government Priorities**

FIVE GOVERNMENT PRIORITIES		GREATER KOKSTAD PROGRAMMES
1.	Ensuring more inclusive economic growth, decent work and sustainable livelihood	The municipality will establish a high quality environment with associated required physical and infrastructure.
2.	Rural development, food security and land reform	The municipality is committed to work with DRDLF in ensuring that Land Reform contributes to economic development and poverty alleviation, particularly in rural areas.
3.	Access to quality education	Educational support in a form of bursaries is being provided to citizens of Kokstad.
4.	Improved healthcare	The municipality has taken a principal position that it will continue encourage and promote social development programme..
5.	Fight crime and corruption	The municipality has established Peace Officers. The municipality will develop an anti-fraud and corruption policy.

#### 1.2.7.6 Provincial Priorities (State of the Province Address 2013)

The SOPA made mention of the PGDS and that this plan is fully aligned to the national development Plan. The SOPA identified building the economy and job creation as top priority. It was also mentioned that regional transport infrastructure linkages be formed; Expanded Public works programme was indicated as creating thousands of jobs, human settlements was indicated as being central to the well-being of our people. Renewable energy was identified as one of the emerging industries while different sectors that contribute to the economy were identified and programmes to support these sectors were indicated. The importance of rural development and agriculture were identified. In response to the State of the Province Address, the Municipality has made tremendous contribution towards the provision of infrastructure (especially roads, and freight), skills enhancement, economic development, poverty alleviation, provision of housing and sustainable human settlements, improving health and healthy lifestyles, mitigation against climate change, supporting informal traders and employment creation.

#### 1.2.7.7 Provincial Growth and Development Strategy

In line with the National Vision 2030, the Provincial Growth and Developmental Strategy will ensure economic growth and improved quality of life for all in KwaZulu-Natal. An integrated service delivery mechanism will be applied by various stakeholders in an effort to create employment opportunities, skills enhancement, effective and efficient governance, human and community development, improved infrastructure and adequate utilization of spatial form.

#### 1.2.7.8 National Spatial Development Perspective (NSDP)

The NSDP represents a key instrument in the State's drive towards ensuring greater economic growth, buoyant and sustained job creation and the eradication of poverty. It provides a framework for deliberating the future development of the national space economy and recommends mechanisms to bring about optimum alignment between infrastructure investment and development programmes within localities.

#### 1.2.7.9 Provincial Spatial Economic Development Strategy (PSEDS)

The Provincial Spatial Economic Development Strategy has been developed in order to achieve the objectives of national and provincial policies. The PSEDS sets out to provide a spatial context for the PGDS, address spatial imbalances (curb urban sprawl and ensure

sustainable interventions), identify priority areas and types of development, align to municipal SDFs, guide the budgeting process of the province and municipalities and influence investment decisions of the private sector.

#### **1.2.7.10 Integrated Sustainable Development Plan**

Many cities around the world are competing with one another on the global open market to become economically competitive and in doing so, are inadvertently creating unsustainable environments. Against this background, it is clear that the Municipality has indeed a direct role to play in the facilitation and management of long-term planning and development processes that consider the issue of sustainability. The Municipality has adopted its Integrated Sustainable Development Plan to ensure that sustainability in all its facets is embedded into the Municipality and influences the IDP.

# CHAPTER 2

## SITUATIONAL ANALYSIS

### 2.1 LOCAL / REGIONAL CONTEXT



Map 2: District Municipal location and Local Municipalities

As shown in the map above the Greater Kokstad Municipality forms part of the Sisonke District Municipality area (DC43), which lies on the south west tip of KwaZulu-Natal, bordered by Matatiele Local Municipality on the West, Lesotho and part of Eastern Cape on the South East.

The Greater Kokstad Municipal area of jurisdiction is approximately 2679, 8370 square kilometres in extent and it shares its borders with Umzimkhulu, KwaSani, Matatiela, Umziwabantu local municipalities. The Greater Kokstad Municipality functions as the district node and dominant commercial centre in the Sisonke District.

Urban areas in the Greater Kokstad Municipality comprise of Kokstad Town and Franklin. Land uses within these areas are typically urban mixed uses with acceptable levels of infrastructural and service development and a minimal provision of social facilities as well as services to support the resident populations. Industrial development is concentrated in Kokstad Town.

The Greater Kokstad Municipality is crossed by a number of important transportation routes, such as the N2 Development Corridor that links the area to the major economic hubs of Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province. The town of Kokstad has a good location being on the N2 between the north east and Umtata in the South. Other regional access roads include the R56 to Cedarville and Matatiela in the west and the R617 to Franklin, Swartberg, Underberg and Pietermaritzburg to the north of the municipality.

The Greater Kokstad Municipality is reliant on the Agricultural Sector for its economic well-being. This sector contributes considerable of the gross geographic product of the area and employs the majority of the workforce. The population distribution in the municipal area is characterized by relatively high densities within urban nodes, and low densities in agricultural areas as a result of farms under white ownership. Presently Kokstad Town comprises of various government sectors, all basic shopping facilities, financial facilities, doctors, churches, bed and breakfast and community facilities such as halls, recreational centers, and superb homes in a quite relaxed environment.

## 2.2 DEMOGRAPHIC ANALYSIS

### 2.2.1 POPULATION

Statistics South Africa's 2001 and 2011 census, Community Survey of 2007, and the Demarcation Board data have been used for the demographic and the economic information in this section.

**Table 4: Population and households**

	POPULATION 2001	POPULATION 2011	% CHANGE	HOUSEHOLDS 2001	HOUSEHOLDS 2011	% CHANGE
<b>SISONKE DISTRICT</b>	456 492	461 419	1.1%	72 244	112 282	55.4%
<b>GREATER KOKSTAD</b>	56526	65 981	16.7%	19 633	19 140	-2.5%

Source: Statistics South Africa, Census 2001, and 2011

The population of the Greater Kokstad has had a population growth of 17% between 2001 and 2011. In contrast, the 2007 community survey illustrates a population decrease of 21% between 2001 and 2007. The tables below illustrate information on the population and number of household within the greater Kokstad Information.

**Table 5: Population Density per ward**

WARD	POPULATION
Ward 1	11441
Ward 2	7327
Ward 3	6775
Ward 4	11614
Ward 5	3437
Ward 6	9629
Ward 7	6937
Ward 8	8821
<b>TOTAL</b>	<b>65981</b>

**Table 6: Household Information**

HOUSEHOLDS INFORMATION	
Average number of rooms per household	2,5
Average household size	3.4
Female headed households	7962

The table below illustrates the distribution of the population based on racial groups.

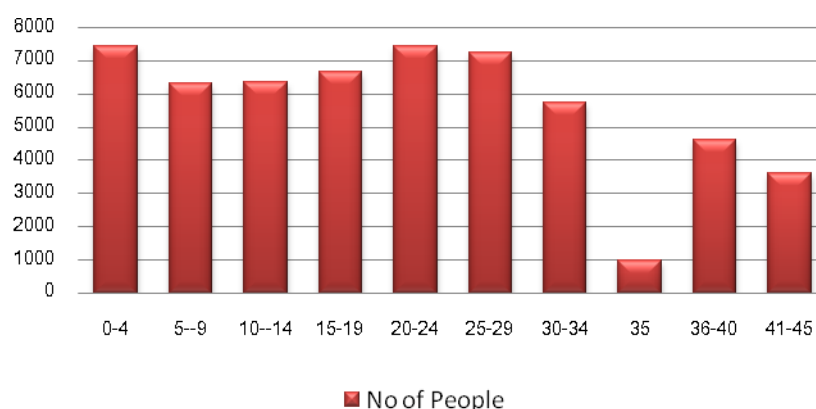
**Table 7: Population Distribution per Race (percentage of population)**

	Sisonke District Municipality (2001)	Sisonke District Municipality (2011)	Greater Kokstad LM (2001)	Greater Kokstad LM (2011)
<b>African Black</b>	93.12	96.87	86.80	88.7
<b>Coloured</b>	3.16	1.64	7.06	6.79
<b>Indian or Asian</b>	0.38	0.33	0.66	1.13
<b>White</b>	3.34	1.16	5.48	3.38
<b>Total</b>	100.0%	100.0%	100.0%	100.0%

Source: Statistics South Africa, Census 2001, 2011

Both statistics on table 1 above show that black people are dominant in the Municipality followed by coloured people, then white people. Indians or Asians are the smallest population group in the municipality. In addition, there was a reduction from 2001 to 2011 in terms of the white population both at District and local municipality level. While there has been a slight increase among the Indian/Asian part of the population

**Figure 4: Age distribution in Greater Kokstad Municipality:**



Source: Stats SA census 2011

As shown in graph above, the Greater Kokstad population is relatively young, with 70% of the population being youth under the age of 35. About 35% of the population is still school going pointing out a need to strength the existing FET collage and to attract more institutions of higher learning in the future. This relatively young population signifies high potential for population growth in the future which further exacerbates the supply and demand scenario for more housing, education and health services in the foreseeable future. This means that the municipality, sector departments and NGOs must direct their development plan in favour of the youth. This brings us to the key issues of concern in the area such as the high unemployment rate, lack of skills, HIV&AIDS and substance abuse.

The segment of the population falling within the 15 – 64 age groups (which makes approximately 67% of the population) would essentially be classified as the potentially economically active population of Greater Kokstad Municipality. This data also means that there must be improved in-take of social security grants especially the child support grants within the municipal area and economic growth to provide jobs for the economically active population. The Municipality has a relatively small percentage of elderly people, which brings to question whether people are not living to old-age, owing to untimely deaths or whether there is a generation of people that have left the area and are enjoying old age elsewhere.

## 2.2.2 EDUCATION

Table 3 below indicates that forty six percent (46%) of the Greater Kokstad population have a secondary level of education. Approximately 37.83% of the population has some form of schooling in the form of primary education and tertiary education. An approximate 16.24 percent of the population has no schooling. Overall this means that the population of the GKM is relatively illiterate.

**Table 8: Level of Education Table**

	DC43: Sisonke	KZN433: Greater Kokstad	%
Grade 0 - Grade 7 / Std 5/ ABET 3	183768	20317	30.8
NTC I / N1/ NIC/ V Level 2 - Certificate with Grade 12 / Std 10	5140	1659	2.51
Diploma with Grade 12 / Std 10 - Post Higher Diploma Masters; Doctoral Diploma	6027	1790	2.71
Bachelors Degree - Higher Degree Masters / PhD	3406	1194	1.81
No schooling	26549	2172	3.3
Other	418	85	1.12
Unspecified	-	-	0
Not applicable	66587	8459	12.82
Grade 8 / Std 6 / Form 1 - Grade 11 / Std 9 / Form 4	121433	18764	28.43
Grade 12 / Std 10 / Form 5	48091	11542	17.5
Total	461419	65981	100

Source: Statistics South Africa, Census 2011

### 2.2.3 HIV/AIDS

There is a lack of clear and reliable data regarding HIV at a local municipal level. However, it is nonetheless clear that it is a very serious issue and should be incorporated into whatever strategies or developments that are undertaken in the study area. Typical impacts of HIV/Aids on planning and development are as follows:

- ❖ Population growth and the structure of the population will change in terms of age and gender;
- ❖ Demand for services such as school, housing and health care facilities will change;
- ❖ Decreased productivity of workers;
- ❖ Impact on capacity of institutions;
- ❖ Spatial implications;
- ❖ Impact on the local economy.

The Municipality together with the Department of Health has developed strategies that will assist both those who are affected and infected. The Department of Health has responded well in driving the HCT (HIV/AIDS Counseling and Testing) and Medical Male Circumcision campaigns in an attempt to fight this disease. However, it is important to note the following achievements by our Government in dealing with HIV and Aids:

- Department of Health has increased site for ARVs provision. Even in Greater Kokstad there has been an increase of ARV down referral sites. Beside Usher Memorial hospital, people can access ARV from Khanyiselani, Shayamoya (Thembaletu Centre), Franklin and Greater Kokstad clinics.
- Department of Health has introduced dual therapy and Mother to Child Transmission.
- Greater Kokstad Municipality has furthered its efforts with Department of Health and other stakeholders by launching the Local AIDS Council that is looking at all issues related to HIV and possible solutions. While we were promoting Healthy lifestyle we were also show casing our commitment to the community in ensuring an AIDS free community.

### 2.2.4 SPATIAL REALITIES

Greater Kokstad Municipality has three urban nodes Kokstad Town, Swartberg and Franklin. Kokstad Town is the major economic centre due to its strategic location in terms of transport network, economic and administrative activities. The National Route (N2) links the area to the major economic nodes such as Port Shepstone and Durban in the KwaZulu-Natal Province and Umthatha in the Eastern Cape Province. The R56 links Kokstad to Ixopo and Pietermaritzburg. The strategic location of Kokstad creates opportunities for economic growth. Emanating from the spatial location of the area is high population growth rate due to high migration of people from the Eastern Cape and Lesotho into the area in search for employment opportunities. The municipality is therefore faced with a challenge of planning, providing basic services, housing and creating employment opportunities for its growing communities.

There are also land reform projects in rural areas like Pakkies 1 and 2 and Kransdraai. Apart from the built environment, there are also agriculture, indigenous forests and areas of biodiversity. The municipality acknowledges the relationship between the built and the natural environment and has adopted an integrated approach to development and protection of the natural environment.

One major spatial challenge facing the municipality is illegal occupation of land for housing purposes. The municipality has no systems in place to deal with the situation. However, the implementation of Land Use Management System (currently in the preparation phase) and the preparation of by laws (to be prepared after the Land Use Scheme has been completed) will enable the municipality to control land use and apply to court to demolish any structure that is in contravention of its Land Use Scheme. This will contribute towards orderly and harmonious development.

The following spatial characteristics, issues and challenges impact on the future development of the Greater Kokstad Municipality and need to be taken forward in the IDP Process:

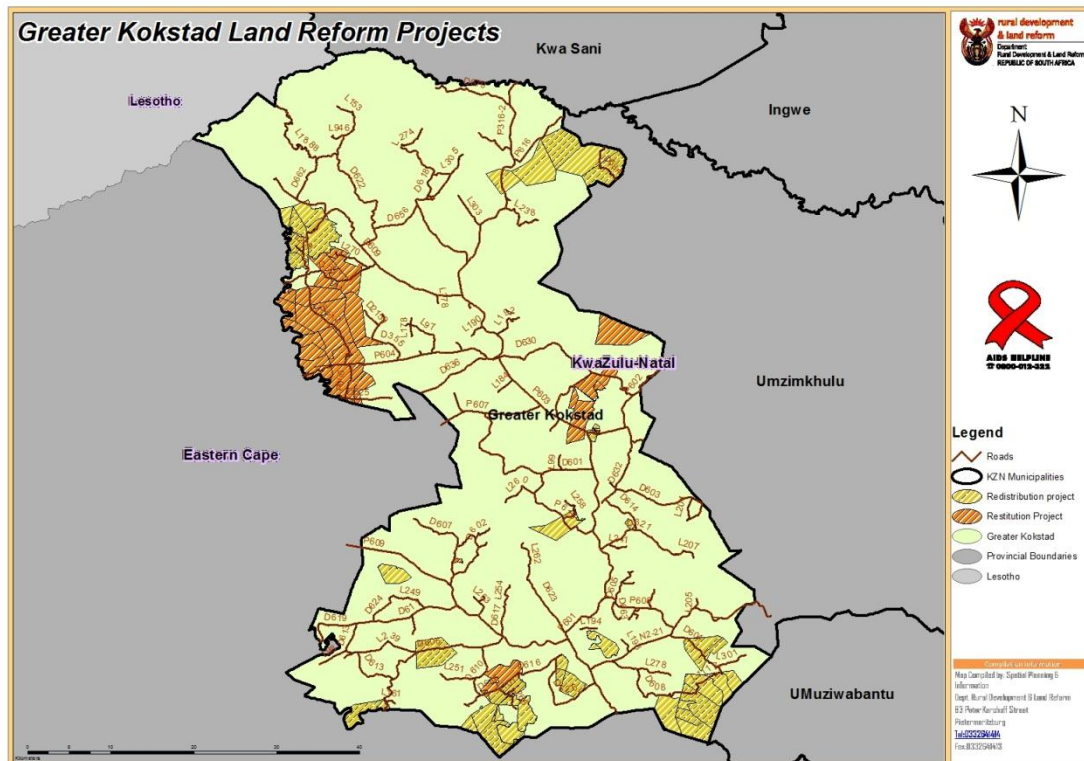
- Illegal occupation of land for informal housing purposes.
- Mushrooming of informal settlements on flood line and protected wetland areas.
- Kokstad town is presently not presenting a very good image for Greater Kokstad Municipality, due to the character of key infrastructure.
- There is minimal integration of environmental, land use and transport management system.
- A need exists to redirect growth and development to the previously disadvantaged areas and areas of economic opportunity while focusing on the redevelopment of deteriorating areas within the municipal area.
- There has been a substantial increase in the number of illegal small business operators that are conducting business from home without permission. This has given rise to traffic and safety problems as these areas were not designed for such purposes.

- Infrastructure like roads, electricity, and telephones, the main services are in the urban areas.

## 2.2.5 LAND REFORM

The implementation of the land reform program within Greater Kokstad Municipality has progressed very slowly. There are a number of land claims that have been lodged on farms in Greater Kokstad. The priority redistribution is in the Pakkies area. The only transferred redistribution claim within the study area is the Kokstad Commonage redistribution project. It includes the farm Krantzontein and is located to the east and south east of Bhongweni. The map below indicates all the land reform projects within the Greater Kokstad municipality.

Map 3: Land Reform projects



## 2.2.6 ENVIRONMENTAL REALITIES

### 2.2.6.1 Geology and Soils

Greater Kokstad is underlain in the most part by mudstone; small portions of the municipality are underlined by dolerite. The extreme southern areas are underlined by shale while the extreme northern areas are underlined by basalt. The soils in the municipality are highly variable ranging from deep, highly leached, strongly acid soils to shallow badly drained soils. Where soils are shallow fertility is low but they have good physical properties.

### 2.2.6.2 Topography

The topography of the area is gently to moderately rolling over large areas but with some mountains terrain.

### 2.2.6.3 Climate

Rainfall in the area varies between 620mm to 1265mm annually. It is a summer rainfall area with annual average temperature of 14.2°C. Severe frosts are common in winter and occasional snowfalls occur in the areas of higher altitude.

### 2.2.6.4 Hydrology



The municipal area is characterized by existing wetlands, rivers and streams traversing throughout the municipal area. Surrounding the wetlands are areas of scenic beauty with a potential for tourism related activities. These wetlands are of particular importance as they play an integral role in water recycling. A majority of the municipality falls within the Mzimvubu catchments. Rivers in the municipality include the Mzimvubu, Riet, Krom, Pampeonspruit, Dotela, Mzintlanga, Mill Stream, Manzinyama, Doewig and Mzintlaba Rivers.

#### **2.2.6.5 Environmental Management Areas**

The municipality is endowed with various products of archaeological importance e.g. the old buildings, various sites with historical markings, paintings. The Provincial Planning and Development Commission designated a portion of the municipality as part of the Drakensberg Special Case Area Plan. The designation plan is reflected in the Spatial Development Framework and the municipality respects the designation and associated proposed development controls in order to protect the natural and tourism values of the Drakensberg Mountains, recently listed as a World Heritage Site (WHS) for their natural and cultural values. The WHS listing opens up enormous tourism opportunities to the municipality. The municipality includes buffer, conservation and agriculture zones of the SCAP.

Important river systems in the Greater Kokstad Municipality are Mzimvubu, Riet, Krom, Pampeonspruit, Dotela, Mzintlanga, Mill Stream, Manzinyama, Doewig and Mzintlaba. These rivers not only contribute to the scenic beauty of the municipality, but also important resources for the survival of the most of the communities in the area. The rugged mountainous terrain and the contrasting grass land of the Greater Kokstad Municipality provide a scenic quality to it. The area has a natural resource base that has been exploited by development except that the residential areas that utilize the natural resources for their daily survival. These resources could however, if well managed contribute to the economic development of the municipality. The development of the special management area and its boarder should be managed, as these areas are environmental sensitive, and contribute to the natural scenic beauty of the municipality. Opportunities exists however, for the establishment of community conservation and private game farm options within these conservation designated areas, as well as for the development of community run lodges and accommodation facilities.

#### **2.2.6.6 Waste Management**

Solid waste is mainly generated by the residents and other entities in Kokstad and Franklin. In South Africa, solid waste is increasingly being seen as a valuable resource rather than garbage. Making a significant and long-term impact in the towns' solid waste streams means more than simply recycling. It will require a transition in waste management philosophy, from 'cradle-to-grave' towards 'cradle-to-cradle'.

#### **2.2.7 APPROACH AND RATIONALE**

Zero Waste (ZW) is a term used to describe sustainable waste management. It requires preventative methods rather than managing waste. The idea is that discarded resources equate to jobs instead of trash to emulate nature's vibrant flow of energy. Five basic principles of ZW are;

1. Redesigning products and packaging: planning in advance to minimize waste production and harmful materials (Clean Design and Clean Production); also known as 'recycling'.
2. Producer responsibility: placing the primary burden of responsibility on manufacturers for the impact that materials they produce have on people and the environment including materials that end up as waste because they cannot be used otherwise readily recycled or composted.
3. Infrastructural investment: instead of investing in landfills and incinerators, investing in new resource recovery facilities and other sustainable infrastructure.
4. Monetary efficiency: Manufacturers use natural resources as raw materials because tax subsidies and policies make the use of such resources cheaper and easier than finding alternatives or using recycled resources. Changing this to a system which enforces real costs for the use of virgin resources would make recycled and recyclable materials a financially logical choice for manufacturers.
5. Job creation: There are many more potential 'job creation' and business opportunities in the zero waste concept than in the traditional land filling and incineration model. Research suggests that sorting and processing recyclables sustains 10 times more jobs than the land filling and incineration of waste streams.

### **2.3 DISASTER MANAGEMENT**

#### **2.3.1 MUNICIPAL INSTITUTIONAL CAPACITY RISK**

Disaster Management is regarded as a key issue due to the fact that the municipality is prone to fires and floods. The Greater Kokstad Municipality has a Disaster Management Plan which was prepared in terms of Section 42 of the Disaster Management Act 2002. The objectives of the Disaster Management Plan are to:

- Establish effective and efficient institutional arrangements based on joint cooperation and collateral support which will give effect to the principles of cooperative governance and wide stakeholder participation.
- Facilitate Council's cooperation with National and Provincial Spheres including Sisonke District municipality.
- Provide an initial macro qualitative assessment for the Municipality as a whole which will, as a point of departure, produce a profile by which the extent and nature of disaster risk in the area can be determined. The assessment will be conducted by accessing indigenous knowledge, studying weather patterns and the history of past events to identify potential hazards and evaluate existing conditions of vulnerability that pose a potential threat to people, property, livelihoods and the environment in the area.
- Direct the initial prioritization of disaster risk reduction measures for integration into Council's IDP which are aimed at reducing existing conditions of vulnerability in disaster prone areas in the municipal area.
- Provide the framework for commissioning a scientifically conducted risk assessment to identify areas and communities at risk (CARs) and to inform the development of a comprehensive disaster risk reduction strategy based on the outcomes of the assessment.

GKM is in the process of constructing a new Fire Station the designs of for the project having already been developed and construction will commence shortly and will be phased. Planning standards indicates that one fire station is required for a catchment of 60 000 people. As such, one fire station should be adequate.

### **2.3.2 RISK REDUCTION & PREVENTION**

There are eight key planning points or requirements that must be applied when planning for disaster risk reduction initiatives. These must form part of the annual reporting of the municipalities and municipal organs of state to the DMC.

1. Use disaster risk assessment findings to focus planning efforts.
2. Establish an informed multidisciplinary team with capacity to address the disaster risk and identify a primary entity to facilitate the initiative.
3. Actively involve the communities or groups at risk.
4. Address the multiple vulnerabilities wherever possible
5. Plan for changing risk conditions and uncertainty, including effects of climate variability.
6. Apply the precautionary principle to avoid inadvertently increasing disaster risk.
7. Avoid unintended consequences that undermine risk avoidance behaviour and ownership of disaster risk.
8. Establish clear goals and targets for disaster risk reduction initiatives, and link monitoring and evaluation criteria to initial disaster risk assessment findings

#### **Disaster risk reduction activities**

A number of risk reduction measures can be identified related to the highest rated identified risks. These measures should be decided upon in consultation with the relevant responsible departments. Some of the possible measures are listed below:

### **2.3.3 RISK ASSESSMENT**

Due to the focus of the Disaster Management Plan on risk reduction, it is important to include a prioritized risk rating in the Disaster Management Plan. This risk rating will be used to guide future risk reduction initiatives in the municipality. Previous risk assessments and risk prioritization exercises have been completed in the district .It is important to consider the results of previous assessments in order to identify possible changes in the risk profile of the municipality, and to address these changes through adequate planning initiatives. Results from previous as well as more recent assessments are discussed below:

### Risk Prioritisation Table for the Greater Kokstad Municipality.

The Risk Prioritization results reported on during 2008 indicated the following hazards as being rated as the highest 'total risk' hazards:

**Table 9: Risk Prioritisation**

Hazards	Exposure	Severity	Probability	Total Risk	Actions Needed
Snow	Continuous (3 / 3)	Extreme (3 / 3)	Likely (3 / 3)	Destructive (27 / 27)	Risk Reduction Interventions and Preparedness Planning
Water Pollution - Informal Settlements	Continuous (3 / 3)	Extreme (3 / 3)	Likely (3 / 3)	Destructive (27 / 27)	Urgent Risk Reduction Interventions
Human Diseases - HIV/AIDS	Continuous (3 / 3)	Extreme (3 / 3)	Likely (3 / 3)	Destructive (27 / 27)	Risk Reduction Interventions and Preparedness Planning
Alien Vegetation	Continuous (3 / 3)	Moderate (2 / 3)	Likely (3 / 3)	Destructive (18 / 27)	Urgent Risk Reduction Interventions
Fires	Occasional (2 / 3)	Moderate (2 / 3)	Likely (3 / 3)	Tolerable (12 / 27)	Preparedness Planning
Drought	Occasional (2 / 3)	Moderate (2 / 3)	Likely (3 / 3)	Tolerable (12 / 27)	Preparedness Planning
Conservation areas	Occasional (2 / 3)	Moderate (2 / 3)	Likely (3 / 3)	Tolerable (12 / 27)	Risk Reduction Interventions and Preparedness Planning
Tuberculosis	Occasional (2 / 3)	Moderate (2 / 3)	Likely (3 / 3)	Tolerable (12 / 27)	Risk Reduction Interventions and Preparedness Planning
Civil Unrest	Occasional (2 / 3)	Moderate (2 / 3)	Likely (3 / 3)	Tolerable (12 / 27)	Risk Reduction Interventions and Preparedness Planning
Animal Diseases	Occasional (2 / 3)	Moderate (2 / 3)	Likely (3 / 3)	Tolerable (12 / 27)	Risk Reduction Interventions and Preparedness Planning

### 2.3.4 TRAINING & AWARENESS

The Greater Kokstad Disaster Management, along with Local Municipal, District, Provincial and Municipal organs of state and municipalities will also formulate and implement appropriate disaster risk management public awareness programmes that are aligned with the national disaster risk management public awareness strategy and will play an active part in engaging schools to ensure a practical approach to education and awareness programmes.

School disaster risk management awareness programmes in The Greater Kokstad Municipality will be conducted, assessed and adapted on an annual basis. Community resilience-building is crucial and a first capacity-building priority is the consultative development of a uniform approach to community-based risk assessment for municipalities and non-governmental and community-based organisations throughout The Greater Kokstad Municipality. This will contribute considerably to closer links between disaster risk reduction and development planning in disaster-prone areas and communities.

### 2.3.5 DISASTER MANAGEMENT: SWOT ANALYSIS

**Table 10: SWOT Analysis**

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>Early fire risk predictions. Early warning of high fire risk places &amp; times, based on weather and vegetation/field condition</li> <li>Epidemic statistic tracking and warnings. Early warning of possible epidemics in specific areas</li> <li>Flood hazard assessments for selected watercourses. Hazard assessment studies, reports and associated maps</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure failure: Power, sanitation, water &amp; other key services</li> <li>Drought / water shortage</li> <li>Environmental degradation</li> <li>Extreme temperatures</li> </ul>

<ul style="list-style-type: none"> <li>▪ Flood hazard assessments for selected watercourses. Hazard assessment studies, reports and associated maps</li> <li>▪ Priority risks of municipal significance have been identified, assessed and documented</li> <li>▪ Mechanisms for the rapid and effective classification of a disaster and the declaration of a state of disaster have been established.</li> </ul>	
<b>OPPORTUNITY</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>▪ Database design, development and population; Exact information, locality and hazardous materials known. Ensure industries have emergency and evacuation plans in place</li> <li>▪ Budget and programme action plans for specific water supply schemes</li> <li>▪ Response and recovery plans are reviewed and updated annually.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fires</li> <li>▪ Industrial (including mining) fires / explosions / spillage / accidents</li> <li>▪ Storms</li> <li>▪ Loss of biodiversity</li> </ul>

KEY CHALLENGE	FIRES
	DRAUGHTS
<b>Description</b>	<ul style="list-style-type: none"> <li>➤ Monitoring processes are not fully integrated with routine reporting cycles of organs of state.</li> <li>➤ A mechanism to ensure rapid access to national funds for disaster response has not been fully addressed in terms of National DM Framework requirements</li> <li>➤ Representing an insufficient level of resources, equipment, or plans to fulfill the disaster management related responsibilities;</li> <li>➤ Fire services has reinforced Command and Control of its responsibilities i.e. Firefighting &amp; Rescue services, Fire Safety (all aspects), Hazmat and Specialist rescue</li> <li>➤ Assist with disaster risk reduction and co-operation. It should be noted that the Farmers Association also have existing contingency plans, including plans pertaining to fire hazards.</li> <li>➤ Training / Awareness Raising related to Drought resistant agriculture.</li> </ul>

## **2.4 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT ANALYSIS**

### **2.4.1 ORGANISATIONAL DEVELOPMENT**

#### **Performance Management System**

The Organizational Performance Management System is operational, with support provided by the Department of Cooperative Governance and Traditional Affairs. The OPMS is compliant and adds value to service delivery through enabling monitoring, evaluation and reporting and timeous interventions if necessary.

#### **District Planning Shared Services (DPSS)**

The shared services concept was conceived due to a number of reasons, notably the fact that many smaller rural municipalities have limited planning capacity and high staff turnovers. Thus, the resulting limitations are proposed to be addressed through the establishment of shared services for the development planning function between district municipalities and their constituent local municipalities. The aim is thus to optimize limited resources and thereby enhance the quality of planning and development services provided. For Sisonke District Municipality, the scope of municipal development planning functions included in the DPSS is as follows:

- Spatial Planning
- Strategic Planning

- Development Administration
- Performance Management System
- Information Management and Systems Development

#### **Local Government Turn-around-Strategy**

The Municipality has adopted a principal position, in line with the National call that the municipalities must develop a turnaround strategy to ensure effective service delivery. Hereunder are the adopted 15 priorities:

- Access to electricity, management and maintenance;
- Refuse removal and solid waste disposal;
- Access to water and sanitation, management and maintenance;
- Ensure formalization of informal settlement;
- Set-up a Complaint management system;
- Set-up with front desk interface;
- Ensure functional of ward committees;
- Appointment of Additional CDWs;
- Training of Councilors;
- Strengthening Communication between Councilors and Communities;
- Prepare, adopt and implement Human Resources Policies;
- Ensure functional Local Labour Forum;
- Review Employment Equity Plan;
- Adopt and Implement Revenue Enhancement Strategy;
- Debtor Management

Over and above, the municipality has also adopted the following as additional priorities:

- Cash flow management;
- Operation and maintenance;
- Acceleration of capital expenditure;
- Continue ensuring clean audit;
- Submission of annual financial statement;
- Ensure asset management;
- Ensure credibility and transparent Supply Chain Management;
- Capacity Building Programme;
- Review Local Economic Development Strategy;
- Ensure alignment of LED and PGDS

The greater details on Local Government Turn-Around Strategy are discussed per National Key Performance Areas in Section 3 of this IDP.

#### **2.4.2 INSTITUTIONAL ARRANGEMENTS**

As per the adopted municipal delegation framework the municipal manager will ensure that the delegation of functions or tasks to appropriate levels of staff is properly documented. The Greater Kokstad Municipality has the right to do anything reasonably necessary for, or incidental to, the effective exercise of its powers. It has all the powers assigned to it in terms of the Constitution as well as other relevant legislation. The executive and legislative authority of the Municipality vests in the Council. The Council will take all the decisions of the Municipality except:

- Decisions on those matters that it has delegated to a delegated office bearer and
- Decisions on those matters that by law have been assigned to a political structure,
- Administrative Structure, Political office-bearer or employee of the Council.

The Council will exercise executive and legislative authority within the Municipal area only. All the powers of the Municipality that have not been reserved for the Council, or that have not been delegated to a political structure, Administrative Structure, political office-bearer or employee of the Council, will be delegated to the Executive Committee. The diagram below indicates the structure of the municipality and the different levels of authority.

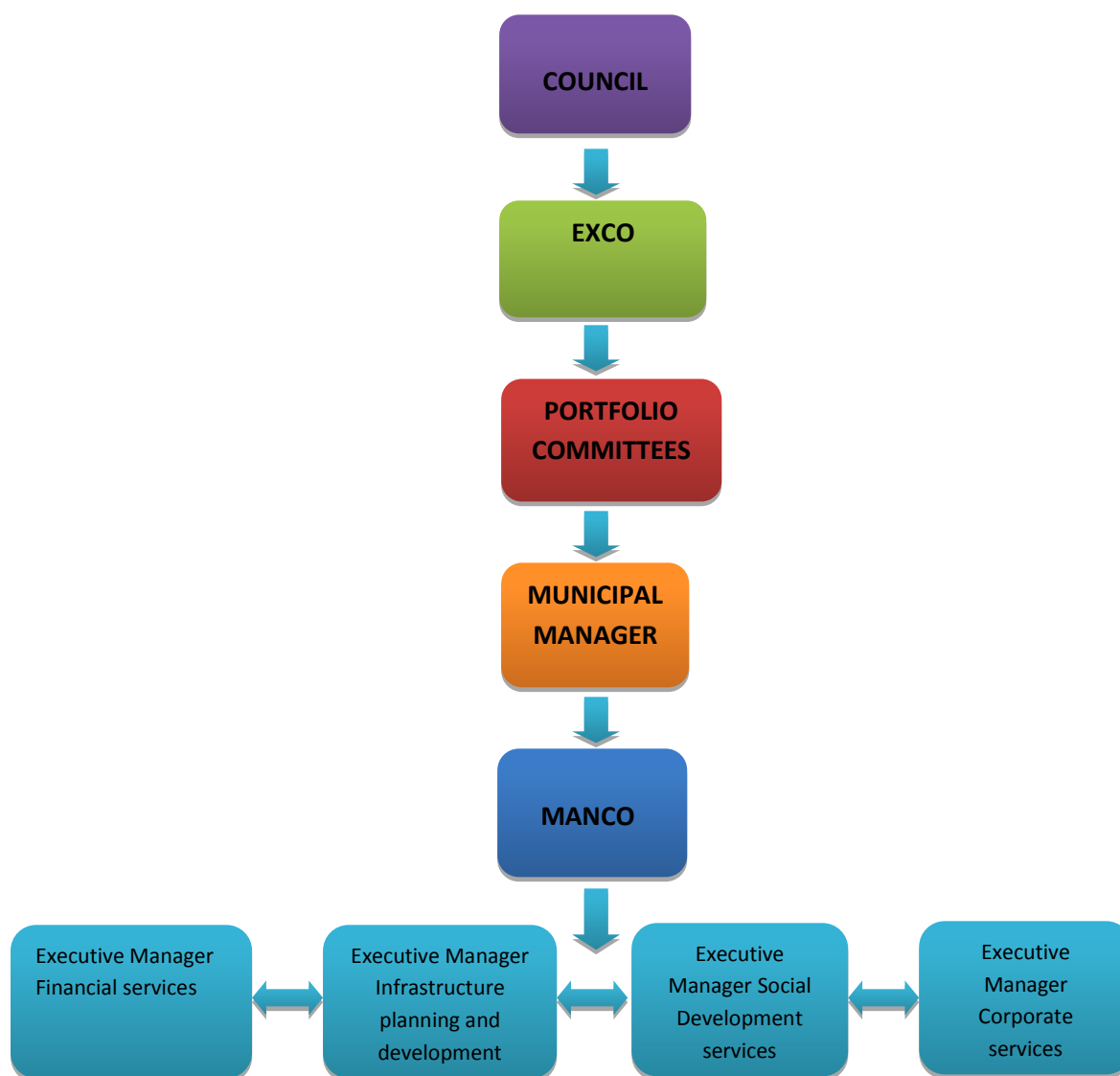


Figure 5: Municipal Structure

### 2.4.3 POWERS & FUNCTIONS

The municipal powers and functions assigned in the Local Government in terms of Municipal Demarcation Board and the ones that the municipality is currently carrying out are as follows:

Table 11: Powers & Functions

▪ Building Regulations	▪ Accommodation, care and burial of animals
▪ Child care facilities, Fire fighting	▪ Licensing for dogs
▪ Storm water	▪ Accommodation, care and burial of animals
▪ Childcare facilities, Fire fighting	▪ Licensing and control of undertakers that sell food to the public
▪ Trading Regulations	▪ Local amenities local sport facilities markets
▪ Billboard and display advertisement	▪ Municipal abattoir
▪ Cemeteries, Funeral parlours and cremation	▪ Licensing and control of undertakers that sell food to the public
▪ Cleaning	▪ Local amenities local sport facilities markets
▪ Control of Public Nuisance	▪ Municipal roads
▪ Control of undertakers that sell liquor to public	▪ Air and noise pollution control
	▪ Public places

Although the Municipality is currently carrying out most of its assigned powers and functions it lacks this ability in certain areas, e.g. Billboards and Display advertisement, Cremation, Accommodation and burial of animals. However, the Municipality has responded to the situation in various ways. In the

case of Bill board and Display advertisement and Accommodation and burial of animal, for example the Municipality has formed Public-Private Partnership where an external agency has been contracted to undertake these functions on a contract basis.

## Shared Services

Town Planning Services is currently shared between the KwaSani, Ingwe, UMzimkhulu, Ubuhlebezwe and Greater Kokstad municipality through the established Sisonke District Shared Services. The Chief Planner servicing all these municipalities is currently stationed at the Greater Kokstad Municipality.

## Administration

To assist the Greater Kokstad Municipality with implementing the objective of the local government as contained in the White Paper on Local Government, a strong, dynamic and charismatic leadership that provides direction for the success of organization is in place. The Greater Kokstad Municipality has been structured in a manner that helps in addressing challenges that it faced with.

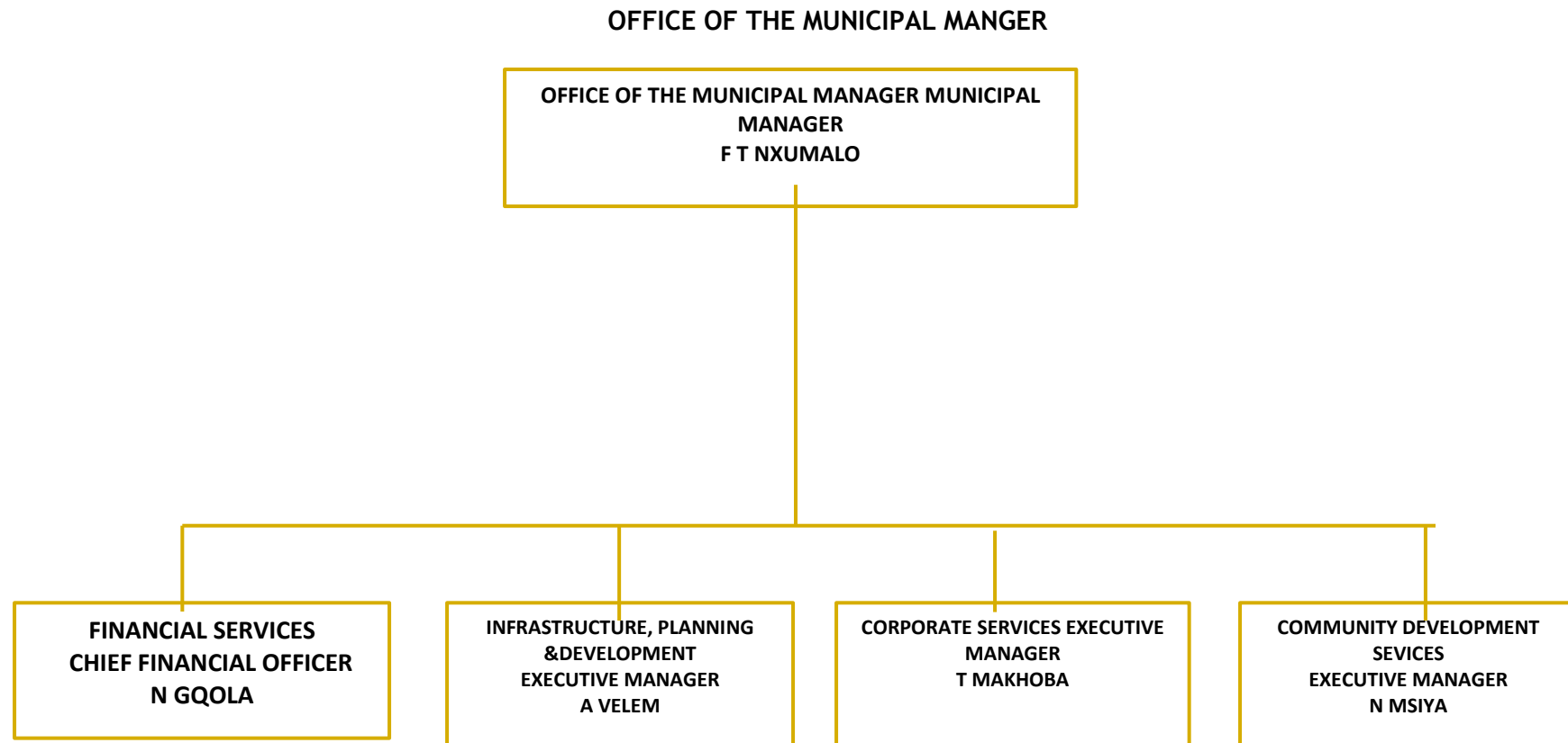
### 2.4.4 ORGANISATIONAL STRUCTURE & ORGANOGRAM

The Greater Kokstad Municipality organizational structure provides for five departments to be managed by the Municipal Manager. The organizational structure was amended to meet the current circumstances. The five municipal departments are as follows:

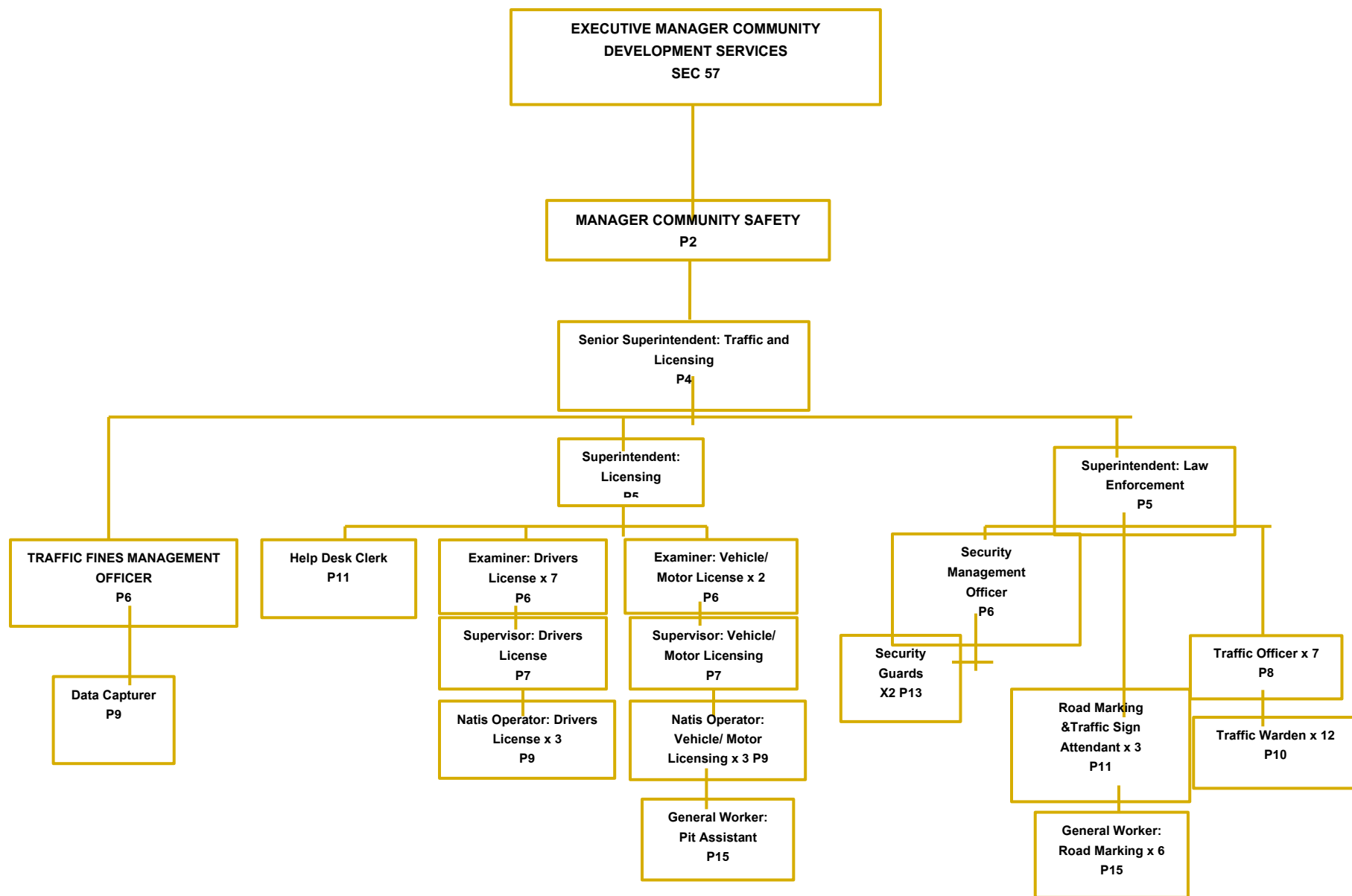
- Office of the Municipal Manager
- Infrastructure, Planning and Development Service
- Community Development Services Development
- Finance Management
- Corporate Services

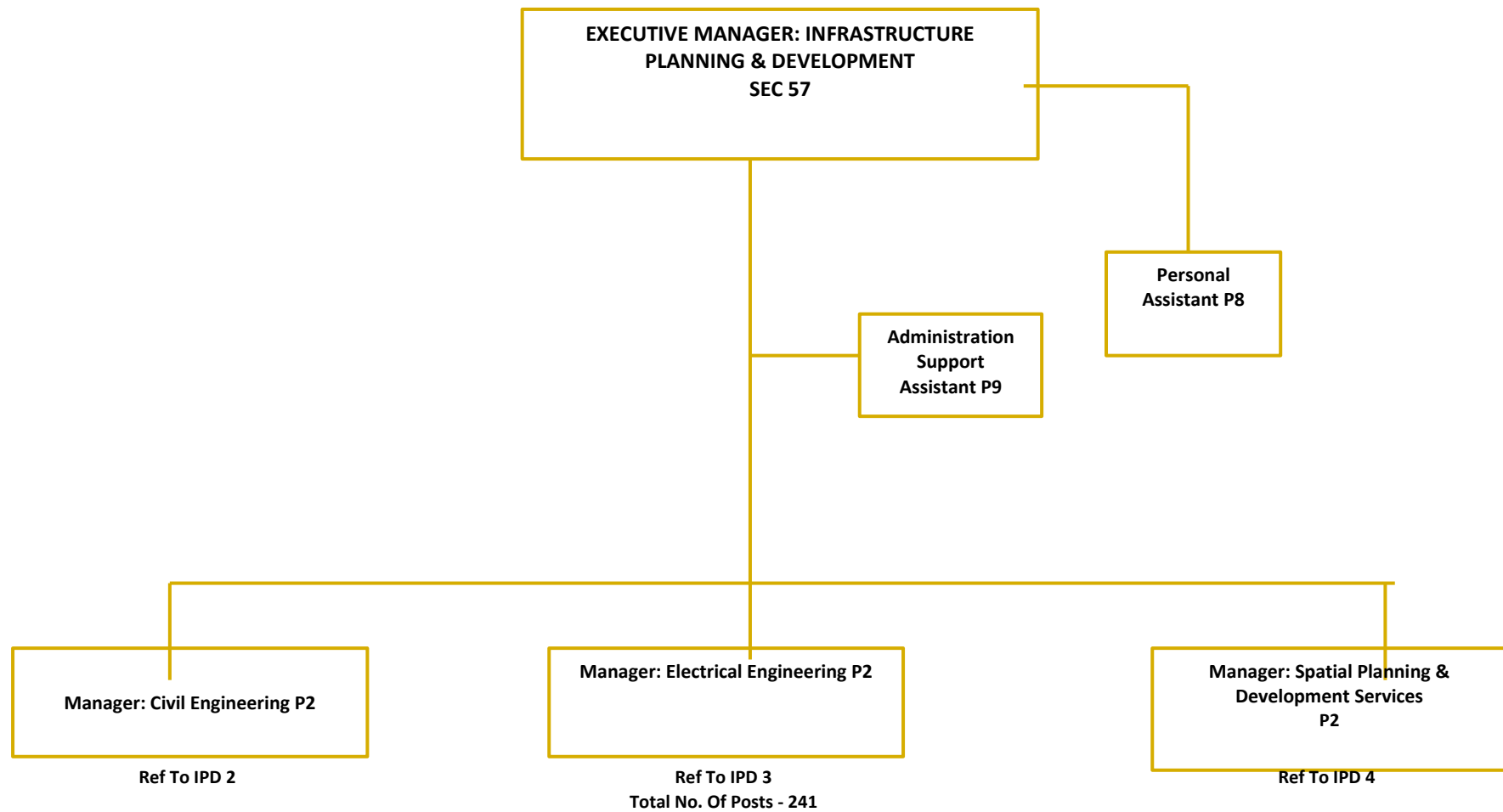
These departments are headed by the Departmental Heads ' who are appointed in terms of Section 56 of the Local Government Municipal Systems Act. Within these departments there are business units established in line functions articulated in the IDP. Each Department is further divided into divisions headed by level 2 Managers. The vacancy rate in the municipality is sitting at 50 percentage this promoted the municipality to review its organogram so as to ensure effective use of the existing personal.

Figure 6: Municipal Organogram

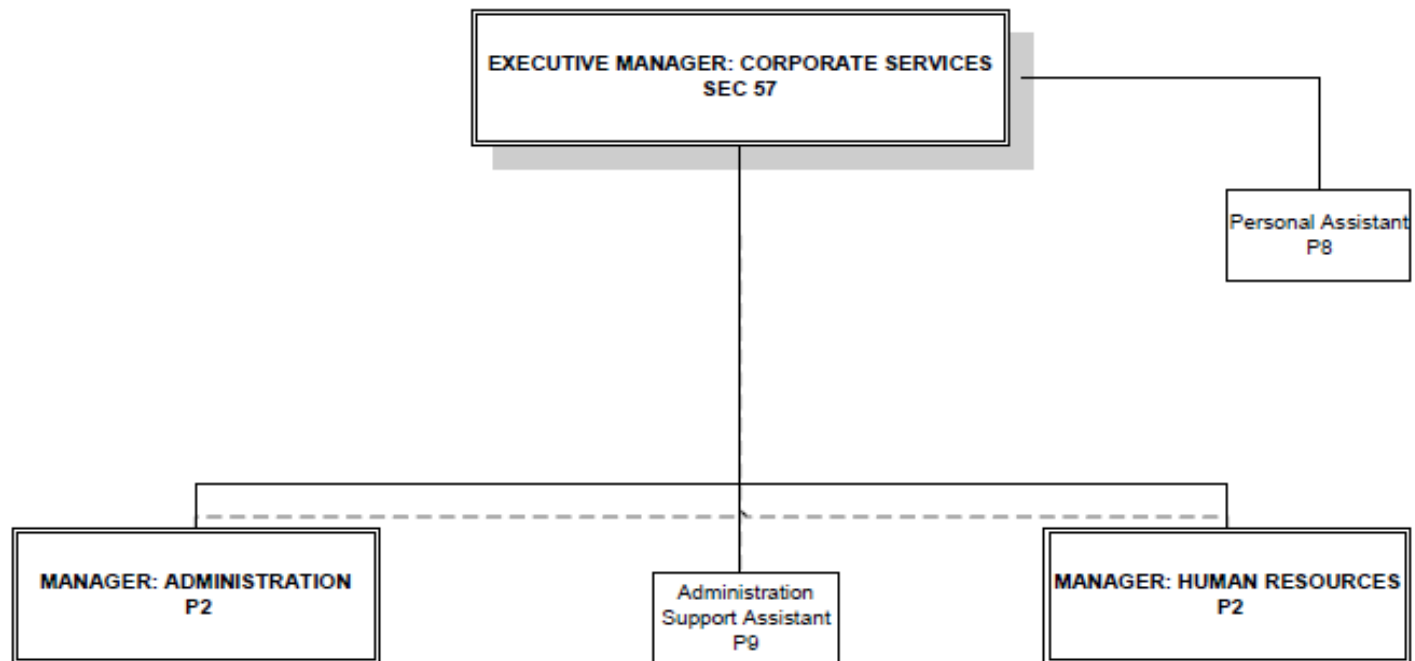








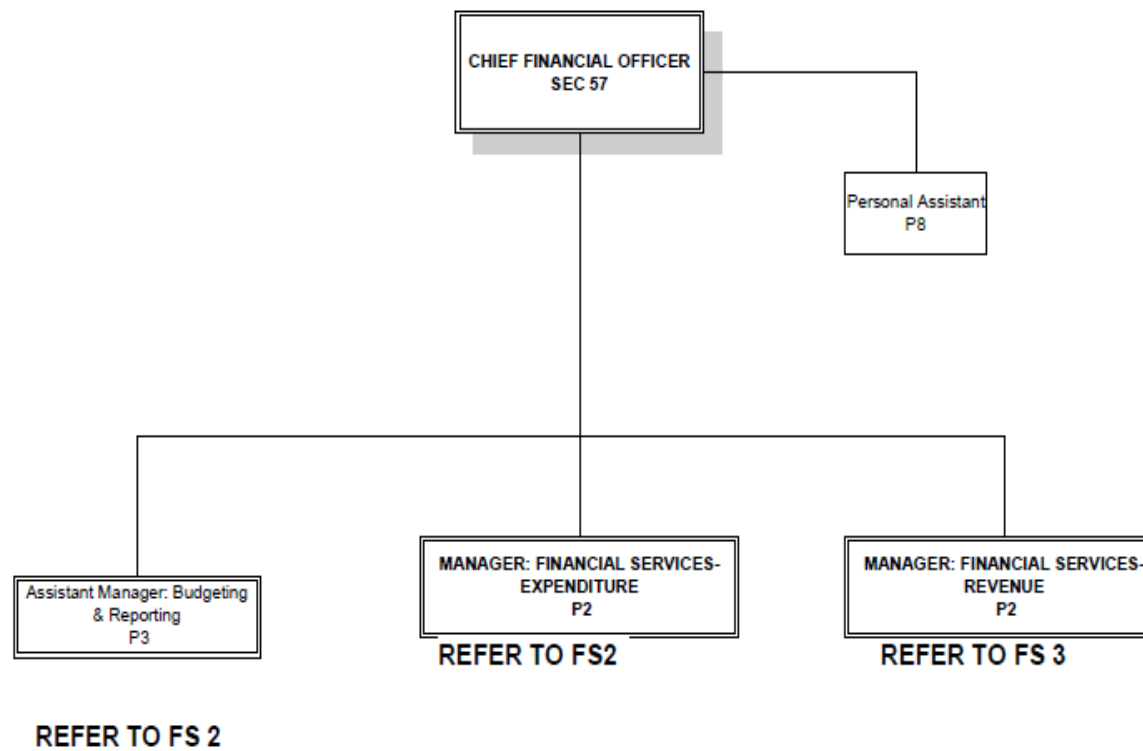
## CORPORATE SERVICES



REFER TO CS 2

TOTAL NO. OF POSTS = 59

Fig 10

**FINANCIAL SERVICES**

TOTAL NO. OF POSTS = 48

Fig 11

## FUNCTIONAL LIST

A table below provides a summary of the Business Unit, Business Functions and Strategic objective for each and every business unit within the Municipality:

**Table 12: Summary of the Business Unit, Business Functions and Strategic objectives for each business unit within the municipality:**

BUSINESS UNIT	BUSINESS FUNCTIONS	STRATEGIC OBJECTIVES
Office of the Municipal Manager	Strategic planning, development and inter - governmental relations	<b>PURPOSE: TO PROVIDE STRATEGIC PLANNING, DEVELOPMENT AND IGR SERVICES.</b> <ol style="list-style-type: none"> <li>1. The facilitation of the annual Integrated Development Planning strategic planning process.</li> <li>2. The development of appropriate strategies to address the municipal KPA's.</li> <li>3. The development and implementation of an organizational performance management system.</li> <li>4. Monitoring and evaluation of the implementation of municipal programmes, policies, and projects.</li> </ol>
	Political office bearer support	<b>PURPOSE: TO PROVIDE EXECUTIVE AND POLITICAL OFFICE BEARER SUPPORT SERVICES.</b> <ol style="list-style-type: none"> <li>1. The Provision of support services to Political Office Bearers.</li> <li>2. The Provision and promotion of community participation services.</li> </ol>
	Youth & Special programmes	<b>PURPOSE: TO RENDER YOUTH, SPORTS AND RECREATION PROGRAMMES.</b> <ol style="list-style-type: none"> <li>1. The management and coordination of activities related to youth.</li> <li>2. The identification, support and coordination of sporting activities within the municipality.</li> </ol> <b>PURPOSE: TO RENDER SPECIAL PROGRAMMES</b> <ol style="list-style-type: none"> <li>1. The management and coordination of activities related to the children, disabled, aged, HIV &amp; Aids, gender, women and other projects.</li> <li>2. The identification, support and coordination of activities related to the above, within the municipality.</li> </ol>

BUSINESS UNIT	BUSINESS FUNCTIONS	STRATEGIC OBJECTIVES
	LED, poverty alleviation & tourism	<b>PURPOSE: TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND POVERTY ALLEVIATION INITIATIVES.</b> <ol style="list-style-type: none"> <li>1. The implementation, monitoring and evaluation of municipal LED strategy and projects.</li> <li>2. The implementation of municipal poverty alleviation strategy and projects.</li> <li>3. The promotion and support of SMME's.</li> <li>4. The provision of tourism development services.</li> <li>5. The provision of informal traders' administration services.</li> </ol>
BUSINESS UNIT	BUSINESS FUNCTIONS	STRATEGIC OBJECTIVES
Financial Services Department	Internal Audit and Risk Management	<b>PURPOSE: TO PROVIDE INTERNAL AUDIT AND RISK MANAGEMENT SERVICES</b> <ol style="list-style-type: none"> <li>1. The rendering of regulatory and it audits.</li> <li>2. The performing of special audits/investigations.</li> <li>3. The rendering of comprehensive or compliance financial, operations, performance and fraud- risk review audits.</li> <li>4. The reporting of audit results.</li> </ol>
	Compliance, Budgeting & reporting	<b>PURPOSE: TO MANAGE THE MUNICIPAL BUDGETING AND RPEORTING PROCESS.</b> <ol style="list-style-type: none"> <li>1. The undertaking of management accounting and financial compliance services.</li> <li>2. The management of the budgeting process.</li> <li>3. The management of municipal assets and liabilities.</li> <li>4. The provision of financial reporting services.</li> </ol>
	Expenditure management	<b>PURPOSE: TO MANAGE AND CONTROL MUNICIPAL EXPENDITURE</b> <ol style="list-style-type: none"> <li>1. The development, implementation and management of procedures, systems and controls related to salaries and expenditure.</li> <li>2. The development, implementation and management of procedures, systems and controls related to the procurement of goods and services.</li> </ol>

BUSINESS UNIT	BUSINESS FUNCTIONS	STRATEGIC OBJECTIVES
	Revenue Management	<b>PURPOSE: TO COLLECT, MANAGE AND CONTROL MUNICIPAL REVENUE</b> 1. The collection of municipal revenue. 2. The development and implementation of procedures, systems and controls related to credit control and debt collection.
Community Development Services	Community social services	<b>PURPOSE: TO RENDER COMMUNITY SOCIAL SERVICES</b> 1. The management, maintenance and control of facilities and amenities. 2. The management, maintenance and control of solid waste, landfill sites and parks and cemeteries.

#### **2.4.5 MUNICIPAL INSTITUTIONAL CAPACITY & STATUS OF CRITICAL POSTS**

The municipality has filled all the section 56 positions and the position of the municipal manager is also filled. The performance agreements are in place and were reviewed during the Mid-term adjustment budget. The municipality has filled most posts the require professional skills like civil engineering, town planning etc. The municipality however doesn't have staff dedicated to environmental management, the municipality utilises the services of the district municipality.

#### **2.4.6 HUMAN RESOURCE DEVELOPMENT**

##### ***Code of Conduct***

Councilors and staff members are required to sign a Code of Conduct and Declaration of Financial Interest form on an annual basis, which must be certified by the Commissioner of Oaths. These records are kept for internal and external audit purposes.

##### ***Human Resources Strategy***

As an over-arching framework aligned to its strategic plan and organizational structure the municipality has an adopted Human Resources Strategy.

##### ***Workplace Skills Plan: Five year and Annual***

As part of human resources development plan the Municipality has developed its five year and annual Work Skills Plan aligned to the strategic plans/IDP of the Municipality and addresses scarce skills training/capacity enhancement and responds to capacity challenges faced by the Municipality. Amongst, other things, the Skills Development Plan of the Municipality is focusing, interalia, on the following:

- ✓ Employment Profile
- ✓ Employee qualification profile
- ✓ Annual training and skills priorities
- ✓ Beneficiaries to be trained
- ✓ Learner ship, Skills Programme and apprenticeship
- ✓ Quality assurance—Service providers to be used for planned training and development activities

The municipality spends an amount of R800 000.00 annually to implement its workplaces skills plan and the expenditure has been 100% for the past three years.

##### ***Employment Equity Plan***

The Employment Equity Plan is in place, and a forum has been established to review the plan annually, to monitor its implementation and consider employment equity matters. A current challenge facing the municipality is the non-representation of certain race groups within the staff, and its inability to attract these race groups during recruitment processes.

##### ***Human Resources Policies adopted***

During the 2010/2011 human resource policies were given focused attention; an audit of policies was done and gaps identified were addressed. In addition the Discipline and Grievance Policies were work shopped with each department within the Municipality as part of awareness of the policies and their procedures.

#### **2.4.7 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT: SWOT ANALYSIS**

**Table 13: Municipal transformation & organisational Development: SWOT**

STRENGTH	WEAKNESS
----------	----------



<ul style="list-style-type: none"> <li>▪ Institutional Systems in place (-EDMS, VIP, ICT Networks)</li> <li>▪ Retention developed and being implemented</li> <li>▪ Established and functional performance management systems</li> <li>▪ All Top Management (sec 56) positions are filled.</li> <li>▪ Workplace skills plan is being reviewed and implemented on an annual basis</li> <li>▪ Established Development Planning shared services</li> <li>▪ SDBIP in place and is reporting done on a monthly basis</li> <li>▪ Policies and By-laws in place</li> <li>▪ approved structural organisation</li> </ul>	<ul style="list-style-type: none"> <li>• Ad-hoc handling of increased legal matters</li> <li>• Limited office space</li> <li>• There is still a challenges regarding attracting certain race groups during the recruitment processes.</li> </ul>
<b>OPPORTUNITY</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Process of establishing an electronic performance management system</li> <li>• Established wellness centre</li> <li>• Capacity building workshops are being facilitated</li> <li>• Newly established customer care section</li> <li>• established and functional internal audit and audit committee</li> <li>• Audit Outcome</li> </ul>	<ul style="list-style-type: none"> <li>• Audit outcome</li> <li>• High staff turn-over (institutional memory loss)</li> </ul>

KEY CHALLENGE	LACK OF PROPER MANAGEMENT AND COORDINATION OF A FEW ASPECTS IN VARIOUS DEPARTMENTS
Description	<ul style="list-style-type: none"> <li>• Ward committees need to be better educated about the IDP and its processes</li> <li>• There is a lack of inter-governmental relations between the GKM and various sector departments</li> <li>• The municipality is still experiencing some challenges in the planning department which include proper administration systems, planning tariffs and the implementation of an approved DPSS model</li> <li>• The municipality still lacks proper management systems regarding cremation, mortuaries and burial of animals</li> <li>• There is still a challenge regarding attracting certain race groups during recruitment processes and their non-representation within the staff</li> </ul>

## **2.5 SERVICE DELIVERY & INFRASTRUCTURE ANALYSIS**

### **2.5.1 WATER & SANITATION**

This section of the document gives an overview on the provision of infrastructure in the municipal area. Basic infrastructure within the Greater Kokstad Municipality and in respect of the IDP, core and non-core functions are as follows: Potable Water, Waste Water, Sanitation, Energy, Roads, and Housing, other infrastructure and services include Solid Waste and Cemeteries. **Furniture**

### 2.5.1.1 WATER SERVICES

In terms of The Water Services Act, the Sisonke District Municipality is the Water Services Authority in respect of all local municipalities with its jurisdiction.

According to the recent Statistics census 2011, there has been an increase in the number of households with water inside their dwellings and well as access to water outside their yards. Dependency on boreholes and springs has been reduced between the 2001 and 2007 census assessments. This indicates expenditure in water and related infrastructure committed by Sisonke District in the past years. The following table compares the 2001 and 2011 census results:

**Table 14: Access to Water Sources Households**

HOUSEHOLD	STATS 2001	STATS 2011
Dwelling	2 831	6 914
Inside Yard	11 705	7 398
Outside Yard	2 577	4 373
Boreholes	70	1 746
Spring	229	806
Rain Tank	25	332
River/Stream	280	368
Water Vendor	14	399
Other	72	270

Source: Stats 2011 census

#### Water reticulation

The status quo for water reticulation is presented in the table below, which shows that a total of 14 312 (75%) households in Greater Kokstad Municipality currently have access to water with the yard. A total of 3352 households have access to water within 200m of the dwelling unit. While the number of households with no access to water is 451 which translate to 2.3% the highest number of households with no access to water are in ward 2and 6 which are predominately rural wards. This translates to 75% of the households with access to water inside the yard do not have sufficient access to water reticulation.

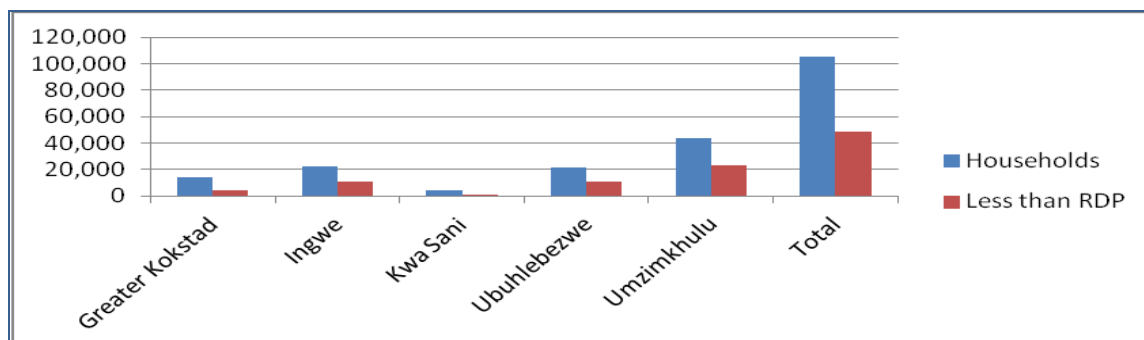
**Table 15: Estimated Water Reticulation Needs (Thousands Households)**

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Total
Piped (tap) water inside dwelling/institution	286	437	1528	1375	470	1186	838	794	6914
Piped (tap) water inside yard	351	945	358	1995	464	868	1167	1251	7398
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	2308	275	4	16	97	335	1	315	3352
Piped (tap) water on community stand: distance between 200m and 1000m (1km) from dwelling /institution	(372)	(88)	3	8	2	293	-3	116	885
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	120	4	-	-	-	15	-	-	139
No access to piped (tap) water	16	117	5	25	2	223	3	59	451

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Total
Total	3454	1866	1899	3419	1035	2921	2012	2534	19140

Source: Stats SA census 2011

Figure 7: Reticulation Needs comparatively



Source: Sisonke CIP

The total estimated budgets to address reticulation, bulk, treatment and refurbishment are indicated in Sisonke Water Services Plan (WSP). The total investment required in all municipalities within Sisonke District Municipality is approximately R228 million. The bulk budget is the largest portion of the total budget.

Table 16: Total Water Investment Needs (Rmill)

LM/DM Name	Water Needs	Refurbishment	Bulk	Water Treatment Works	Total
Sisonke DM	R366.98	R63.96	R732.25	R181.52	R1,344.70
Ingwe	R0.00	R0.00	R0.00	R0.00	R0.00
Kwa Sani	R0.00	R0.00	R0.00	R0.00	R0.00
Greater Kokstad	R0.00	R0.00	R0.00	R0.00	R0.00
Ubuhlebezwe	R0.00	R0.00	R0.00	R0.00	R0.00
Umzimkhulu	R0.00	R0.00	R0.00	R0.00	R0.00
<b>Total</b>	<b>R366.98</b>	<b>R63.96</b>	<b>R732.25</b>	<b>R181.52</b>	<b>R1,344.70</b>

Source: Sisonke CIP

### 2.5.1.2 SANITATION SERVICES

According to census 2011 information, the sanitation backlog in Greater Kokstad Municipality is 692 households which equate 3.6% which shows that in the main households have access to sanitation services. The figure is similar at a district level implying that general most households within the district have access to decent sanitation services. Table below show sanitation backlog in Greater Kokstad Municipality as compared to the entire district:

Table 17: Sanitation Backlogs within Sisonke District and GKM

	Number of households with Access to sanitation facilities	Number of households with no sanitation facilities (including bucket toilets)	Total
Sisonke district municipality	108 755	3 528	112 283
Greater Kokstad	18 448	692	19 140

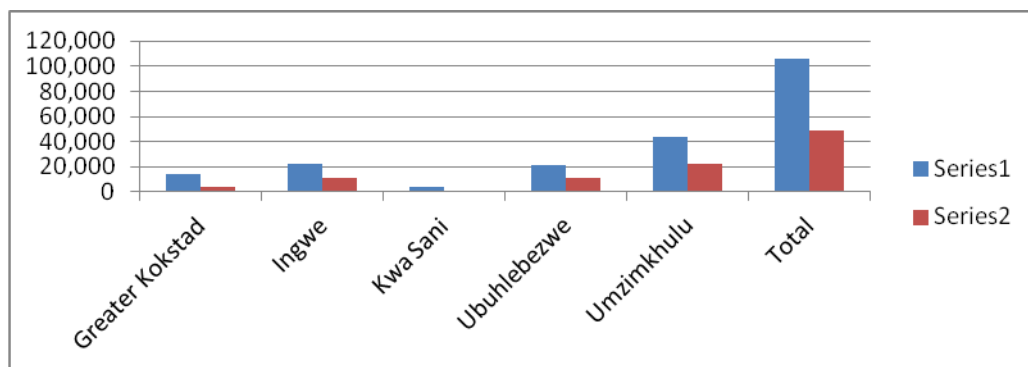
Stats SA: census 2011

Below the table indicates the level of sanitation per ward in the Greater Kokstad Municipality. A high number of households use a water borne sewerage system this results in high repairs and maintenance costs in term of the infrastructure. .

**Table 18 Source: Stats SA census 2011**

	WARD 1	WARD 2	WARD 3	WARD 4	WARD 5	WARD 6	WARD 7	WARD 8	TOTAL
None	150	150	23	17	6	196	50	38	630
Flush toilet (connected to sewerage system)	472	298	1849	3149	888	904	1948	2000	11507
Flush toilet (with septic tank)	19	220	13	226	57	367	10	20	932
Chemical toilet	799	49	1	11	-	324	-	1	1185
Pit toilet with ventilation (VIP)	1003	441	7	5	4	348	-	25	1834
Pit toilet without ventilation	985	639	5	3	10	541	2	419	2605
Bucket toilet	23	5	-	1	-	7	1	25	62
Other	2	64	1	7	69	234	1	6	384
Total	3454	1866	1899	3419	1035	2921	2012	2534	19140

**Figure 8: Sanitation Needs Comparatively**



**Table 19 Total Sanitation Budget (R mill)**

LM NAME	RETIC	REFURBISHMENT	BULK	WASTE WATER TREATMENT WORKS	TOTAL
<b>Sisonke District Municipality</b>	R320.57	R31.90	R138.81	R157.37	<b>R648.64</b>
Ingwe	R.00	R.00	R.00	R.00	<b>R.00</b>
Kwa Sani	R.00	R.00	R.00	R.00	<b>R.00</b>
Greater Kokstad	R.00	R.00	R.00	R.00	<b>R.00</b>
Ubuhlebezwe	R.00	R.00	R.00	R.00	<b>R.00</b>
Umzimkhulu	R.00	R.00	R.00	R.00	<b>R.00</b>
<b>Total</b>	<b>R320.57</b>	<b>R31.90</b>	<b>R138.81</b>	<b>R157.37</b>	<b>R648.64</b>

The total estimated budgets for sanitation needs, refurbishment, bulk, and bulk infrastructure are indicated in Table 19. The total investment requirement is R648.64 million. The total sanitation needs is 49.42% of the total budget, namely R320 million.

### **2.5.2 SOLID WASTE MANAGEMENT**

Greater Kokstad municipality's Integrated Waste Management Plan is currently at a Draft Revision 2 - for Public Review phase, reviewed July 2012. The IWMP makes a comprehensive analysis of the status quo of the municipality's waste management, makes a critical analysis and assesses strategies to address these. Then, the implementation plan summarises the priority projects and associated actions that are recommended for implementation of the strategies that were developed as part of the IWMP.

The existing landfill site is the Shayamoya Land fill site, January 2010, the landfill site was approximately 2.2ha in size, and over the years it has accumulated waste of approximately 40 000 m<sup>3</sup> (2009) and is in a poor condition although there are some management measures in place. This site is at capacity and was therefore earmarked for closure by 2012. The site is furthermore located above a large drainage line which feeds into a stream. The landfill site is unlined. The stream showed evidence of eutrophication which could imply that water quality downstream of the site is a potential ecological and health hazard.

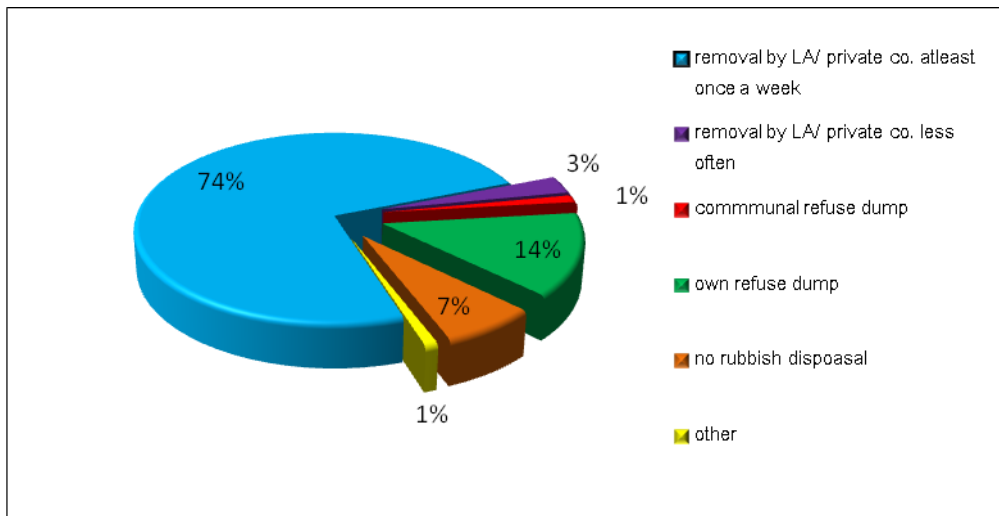
The new proposed land fill site is located on a farm east of Horseshoe, which is north east of the CBD. While the old land fill site is still operational, it must be noted that the usage is kept at a minimum due to capacity until such time that the new site has been fully established. The table below indicates the different types of refuse removal within the municipality per ward.

**Table 20: Refuse Removal**

Table: Census 2011 by Municipality, refuse removal by population group of head of the household							
KZN433: Greater Kokstad							
	Black African	Coloured	Indian or Asian	White	Other	Unspecified	
Removed by local authority/private company at least once a week	12731	874	158	372	35	0	14170
Removed by local authority/private company less often	353	166	8	36	5	0	568
Communal refuse dump	200	4	2	27	0	0	233
Own refuse dump	2213	167	10	279	2	0	2671
No rubbish disposal	1269	26	1	18	3	0	1317
Other	137	2	0	42	1	0	182
<b>Total</b>	<b>16903</b>	<b>1239</b>	<b>179</b>	<b>774</b>	<b>46</b>	<b>0</b>	<b>19141</b>

Source: Stats SA census 2011

**Figure 9: Refuse Removal**



Source: Statistics SA census 2011

The following status quo information in respect of solid waste was provided by the Manager Community Services for Greater Kokstad Municipality:

### 2.5.2.1 AREAS COVERED BY WASTE COLLECTION

Waste collection services are undertaken in the following areas:

- ❖ Kokstad Town
- ❖ Franklin Area
- ❖ Swartberg Area
- ❖ Pakkies Area

### 2.5.2.2 WASTE MANAGEMENT

- ❖ In Kokstad Town, Medical Waste is collected and transported to Durban by private contractors;
- ❖ Domestic (refuse begs at individual households), Business and Street Sweepings (containers and refuse bags) at Kokstad Town are collected and transported to the Shayamoya Landfill Site by Greater Kokstad Municipality;
- ❖ Domestic (refuse bags at individual households), Business and Street Sweepings at Franklin , Swartberg and Pakkies Areas are collected and transported to the Shayamoya Landfill Site by Greater Kokstad Municipality.

### 2.5.2.3 WASTE COLLECTION AND TRANSPORTATION

Currently 77% households within the *whole municipality* are covered by a waste collection system

**Table 21: GKM method of waste collection**

Waste Type	Kokstad town Collection Method	Franklin Area	Swartberg Area	Pakkies Area
Domestic	Kerb Site Collection	Kerb Site Collection	Kerb Site Collection	Kerb Site Collection
Business	Skips for Waste Collection	Kerb Site Collection	Skips for Waste Collection	
Industrial	Skips for Waste Collection			
Garden Waste	Special refuse Collection			
Building Waste	By Waste Generators or Private Contractors			
Street Sweepings	Kerb Site Collection	Kerb Site	Kerb Site Collection	

Waste Type	Kokstad town Collection Method	Franklin Area	Swartberg Area	Pakkies Area
		Collection		
Medical Waste	Hospital			
Hazardous Waste	Hospital			

**Table 22: Waste Transport Equipment:**

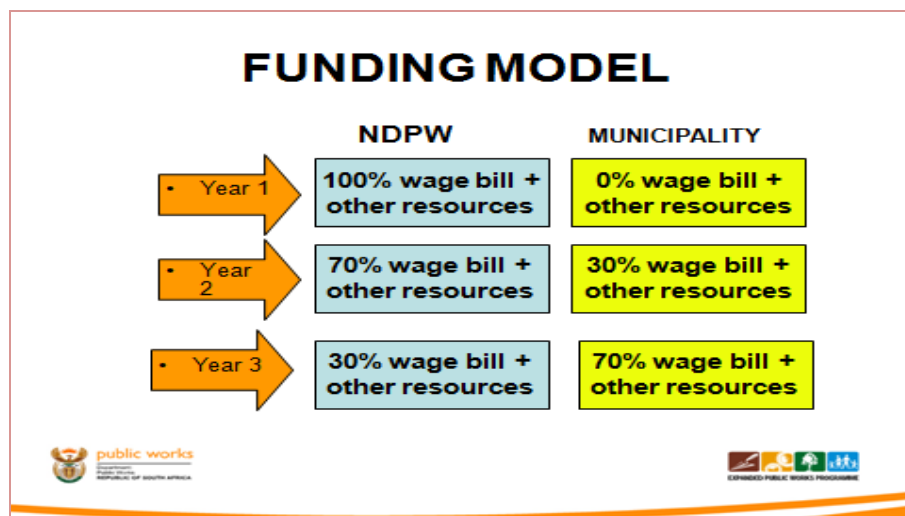
	Vehicle Description	Number of vehicles	Average number of crew per vehicle
Kokstad town	Tractor and Trailer	X1	3
Franklin Area	Bakkie with Trailer	X1	3
Swartberg Area	LUV and Trailer	X1	3
Pakkies Area	LUV and Trailer	X1	3

**FREQUENCY OF MUNICIPAL WASTE COLLECTION:**

- ❖ Residential in Kokstad area - 2x per week
- ❖ CBD in Kokstad area - Daily basis
- ❖ Franklin, Swartberg and Pakkies - 1x per week

### Food for Waste Programme

Food for Waste Program is a creative method of waste collection in which the municipality has recruited 100 members of the community to collect waste in exchange of food. The programme is funded by the National Department of Public Works and the Greater Kokstad Municipality. The following table shows the funding model of the project:



**Figure 10: Food for waste funding model**

Beneficiaries work 3 days per week every month. Each person collects refuse in 60 households once per week then cleans open spaces and streets for two days in the same week. Beneficiaries receive food parcels to the value of R 780 per month. They are divided into two groups that receive food parcels on the last Friday of the month and the last Monday of the month.

**Table 23: Number of households that are covered by each beneficiary:**

Collection Area	No. of Households	Actual households cleaned	Beneficiaries	
			No. Employed/Assigned	Load per Beneficiary*
Horseshoe(Ward 1)	2912	900	15	60

Franklin (Ward 2)	400	240	4	60
Kokstad Town (Ward 3)	1124	720	12	60
Extension 7 (Ward 4)	332	240	6	60
Bongweni (Ward 5)	609	595	18	35
Shayamoya	6985	2700	45	60
<b>Total</b>	<b>12368</b>	<b>5395</b>	<b>100</b>	

Source: Kokstad food for programme

### 2.5.3 TRANSPORTATION INFRASTRUCTURE

The Municipality has a well-developed road network on a national, district, and local scale, but the condition of the majority of the local roads are poor, and access is problematic in wet conditions. The Sisonke District Municipality has prepared an Integrated Transportation Plan which will designate roads in need of upgrade thus hopefully improving local movement.

The following primary and secondary transportation routes are aligned through the Greater Kokstad Municipal Area:

- The N2 corridor that links the area of Kokstad to the major economic hub such as Port Shepstone and Durban in KwaZulu-Natal Province and Umtata in the Eastern Cape Province.
- The R56 which links the Greater Kokstad Municipality with Matatiele and Cedarville in the western side of the municipality. This road plays an important transport route from both transportation and an economic development perspective.
- The R617 which links western part of the municipality with Underberg and Pietermaritzburg.
- Other than the above, the municipal area is crisscrossed by a number of district traffic routes, often in a poor condition and making effective transportation problematical.
- Lowest in the ranking of transportation routes are the so-called agricultural roads which provide access to agricultural crops and link with the district roads.

The backlogs with regards to road maintenance are indicated below;

**Table 24: Road maintenance Backlogs**

ROADS BACKLOGS					
Local Municipality	Length (KM)	Cost	Planned Backlog Reduction (2013/ 14)	Cost/ Reduction	Projected Balance
Greater Kokstad	178	142 400 000	20	16 000 000	158

The department of transport prioritises roads using various factors such as the Provincial Spatial Economic Development strategy and the Provincial Growth and Development Strategy. The linkage to the PGDS nodes, industrial potential, agricultural, tourism and community development are all considered when prioritising the development of new roads. It is also acknowledged that the status of the road condition can affect the status of the factors listed above.

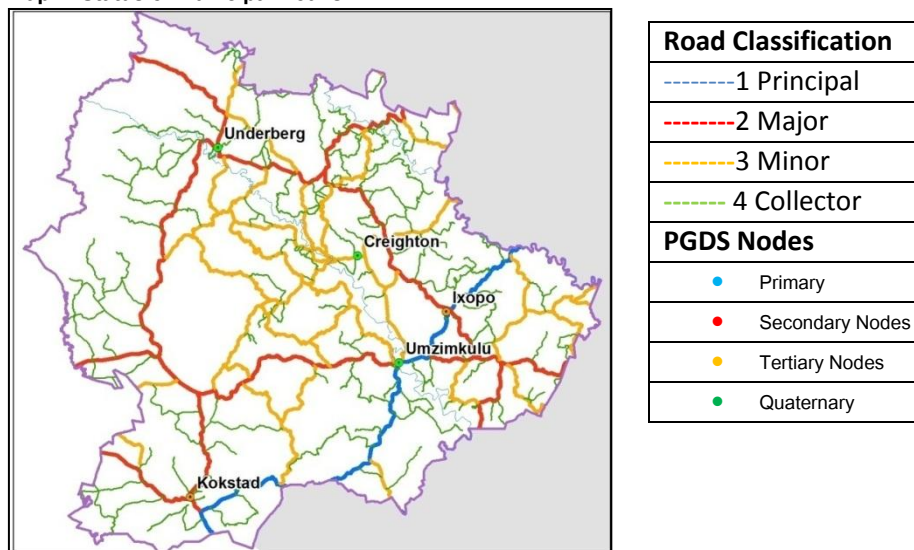
The roads are classified into six main classes and these are according to the purpose the road serves, the map below indicates the road network in the Sisonke the six classes are as follows;

- Class 1 Principal Arterials (Mobility roads)
- Class 2 Major Arterials
- Class 3 Minor Arterials
- Class 4 Collector Roads
- Class 5 Local Roads
- Class 6 Walkway
- Class 1, 2 and 3 roads provide for mobility over longer distances



The map below indicates critical roads and linkages within the entire district municipality the Greater kokstad municipality as depicted is mainly dominated by principal and major arterial roads.

**Map 4: Status of Municipal Roads**



#### **2.5.4. ENERGY**

National and Provincial policies are strongly support moving to more sustainable energy sources. The 2010 Draft Revised White Paper on Renewable Energy Policy aims for the provision of a minimum of 27% of national energy from renewable sources by 2030, and the national climate change documents note that the most significant GHG emissions in SA come from the energy sector.

The KZN PGDS states that the Province will strive for more self-sufficiency through alternative renewable energy generation options, and sets indicators for this purpose:

- Measuring Energy Production Capacity in relation to households receiving sustainable electricity supply, increasing supplies from renewable energy sources; and the number of renewable energy generation or co- generation projects in implementation stage.

The following interventions are recommended in the KZNPGDS:

- Development of Provincial Alternative Energy Strategy with specific focus on Hydro Electricity potential,
- Implement a Programme of Alternative Energy demonstration projects, and
- Establish a Provincial Carbon Credit Programme.

The GKM produces none of its own energy, so is currently dependent on the national grid, and therefore vulnerable. The GKM LED Strategy, 2011 has noted that opportunities exist to access the Green Economy, specifically by diversifying the energy mix and placing more focus on renewable energy supply. The GKM Turnaround Strategy has set Access to electricity, management and maintenance as a Priority Turnaround Focal Area. The immediate priority is to accelerate the basic services delivery programme-access to basic services is also as a medium term priority. Igoda Projects was appointed to develop an Energy Master Plan for the Greater Kokstad Municipality. The aim of this master plan is, interalia, to ascertain the future growth and upgrading needs of the Municipality's 11kV distribution network as well as to look at areas current electrified under Eskom license conditions.

The primary objective of the study was to produce an energy master plan covering not only the distribution networks for the Greater Kokstad Municipality but also Eskom's electrification plans.

Some substations and networks in the GKM area are old and due to resource constraints have not been maintained well. The old equipment in use is evident of the ageing network. Networks have also become over loaded as the town has grown without

upgrading of medium voltage cables. A detailed operation and maintenance plan is induced in the energy master plan it indicates the cables and substations that need upgrading and which of these need maintenance on a regular basis.

## Licensed supply areas

NERSA have issued licenses for the distribution of electricity within the municipality as follows:

- Greater Kokstad Municipality: to supply the town of Kokstad and surrounding townships including;
  - ✓ Bhongweni
  - ✓ Horseshoe
  - ✓ Shayamoya
  - ✓ Franklin
  - ✓ Kargspost
- ESKOM: to distribute electricity to the balance of the GKM area.

## Access to Electricity

According to GKM Urban Regeneration Strategy (2012) states that approximately 62.3% of households in the Greater Kokstad Municipality have access to electrical grid and 16.4% have access to free basic energy. The table below shows the number of potential households without access to electrical grid. These have been identified as priority areas for electrification.

**Table 25: Kokstad Households without access human settlements**

<b>Slum Clearance Project: Shayamoya</b>	<b>180 Housing units</b>
<b>R56 Integrated Sustainable Settlement: Kokstad Town (proposed project)</b>	<b>600-800 Units</b>
<b>Franklin Residential Development (New Project)</b>	<b>450 units (200 currently)</b>
<b>Makhoba Housing: Farms Argyll &amp; Springfontein</b>	<b>418 Units/994 Units</b>
<b>Willowdale Housing Project Kargs Post</b>	<b>87 Units</b>

## Kokstad Supply Area

The Greater Kokstad Municipality is the licensed distributor of electricity to the formal area of Kokstad and surrounding townships. Supply is taken from Eskom at 11kV from four in take feeders:

- Main Sub-Station 1, Elliot Street:
- Feeder No 1=9MVA
- Feeder No 2=4.7 MVA,
- Bhekintaba Sub-Station Shayamoya: 33/11kV 5MVA.
- Hans Merensky Sub-Station 10.1kVA (Previously 5MVA)

An increase in the Notified Maximum Demand (NMD) has been requested by the Municipality from 17MVA to 22MVA. However Eskom have expressed concerns in respect of constraints at Kokstad Sub-Station with regard to awarding this request for increase. Eskom concerns are as follows:

- Eskom supplies customers outside of the Kokstad area of supply off the same 11kV network. At transformer peak, this Eskom supplied load amounts to approximately 3.7MVA.
- Due to the installed transformer capacity at Kokstad and other customers being supplied from the 11kV network, the increase to the Kokstad NMD cannot be entertained.
- In addition, Eskom guidelines state that due consideration be given to reliability requirements.
- With load forecasts from the Municipality showing load growth to be in excess of the rated output of a single transformer, the standard portion of the requested NMD revision revised downwards to 22MVA. This figure aligns with Eskom Plant and TSG recommendations of a maximum overload of 10% for such transformers as those installed at Kokstad Sub-Station.
- The new 22 MVA NMD being reached (standard portion) will be used as a trigger for an

upgrade at Kokstad Sub-Station, replacing the existing 2x 20MVA transformers with 2x 40MVA transformers and will include both cable and switchgear up-rating also.

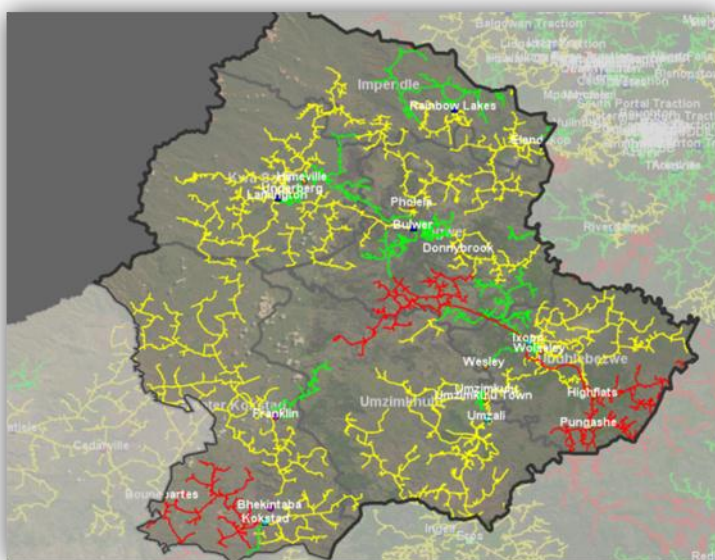
There are no customer backlogs in the Kokstad licensed supply area as all traditional formal households have been electrified. There is however a superficial backlog within Kokstad attributed to informal housing which is being addressed through the Municipality Slums Eradication initiative.

This informal housing, will overtime, be replaced by formal new lowcost housing with electricity services. Due to this initiative, it is not the intention of the Municipality to electrify informal, not only to avoid wasteful expenditure but also to discourage informal settlement. The condition of the Kokstad infrastructure is generally good and appears to be reasonably maintained however the network constraints highlighted above will continue to put pressure on the network which, if not adequately addressed, will lead to a more rapid deterioration.

## Eskom Supply Area

Eskom provides bulk supply to the Greater Kokstad Municipality as well as electricity to households and farms within the greater Kokstad municipal boundaries. The map below indicates the electricity infrastructure that exists in the Greater kokstad municipality. The red indicates the lines that are under pressure.

**Map 5: Status of Electrical Power lines**



## 2.5.5 ACCESS TO COMMUNITY FACILITIES

### 2.5.5.1 SPORT AND RECREATION FACILITIES

The following sport and recreational facilities are located in Kokstad: Sports facilities: There are a few formal sportsfields in Kokstad town, including the golf course, Bhongweni stadium, Elliot Park and the Kokstad Bowling Club, which includes tennis courts and a sportsfield.

Playlots: The area does not have well-developed play areas for children. A number of open spaces exists within most of the units, but are not developed as play lots. This issue requires urgent attention. Parks: formal parks are lacking in Kokstad, save the open space areas between the town, Shayamoya and Bhongweni. These areas provide an opportunity to develop a green corridor, and should be linked to the conservation areas.

**Table 26: Sport and Recreation Standard**

Facilities	Population Served	Travel Distances
Play lot	230 -800	0.4-0.5km
Playground with play equipment	2000-5000	0.4km in high density
Neighborhood park	Up to 6000	0.4km
Community park	5000-20000	1.6-3.2km

Facilities	Population Served	Travel Distances
Major park	Sports complexes	Sports fields
Sport Complexes	1per50000people	1per7700-12000
Sports field	1per7700-12000 people	

Source: Planning and Development Commission

### 2.5.5.2 LIBRARY FACILITIES

There are two libraries in Greater Kokstad Municipality, one in Kokstad Town and one in Bhongweni. The Kokstad Library has a capacity of 50 persons seated, while Bhongweni Library has a capacity of 43person including computers with internet access. Library services offer career development activities with schools and work in association with some sector departments in dissemination of information related to health, HIV/Aids awareness and sports development. However, these two libraries are inadequate as they are too small for the population served and do not have adequate study space for students.

### 2.5.5.3 GOVERNMENT OFFICES

The following are government offices located in Kokstad:

- Department of Education (teachers and administrators);
- Department of Health (hospital, clinic, and primary health careworkers);
- Department of Correctional Services (Wardens);
- Department of Transport (road maintenance);
- Department Safety and Security (Police Officers);
- Department of Justice (magistrate court),and
- Greater Kokstad Municipality

### 2.5.5.4 ROLL-OUT OF FREE BASIC SERVICES

The municipality provides subsidized services to indigent households after their applications meet the criteria and are approved by the Council. 50kWh of free electricity is issued to both prepaid and credit meter customers. The municipality is also offered a subsidized refuse removal for indigent household on a monthly basis. To ensure the roll-out of free basic services the municipality has budgeted an amount of R3 221 000, 00 million in its 2013/14 financial year budget.

### 2.5.5.4 OPERATIONAL AND MAINTENANCE

The municipality has allocated an amount of R 7. 7 Million For repairs and maintenance in its 2013/14 budget. This is amount that the municipality can afford to which it has proof to be insufficient as the existing infrastructure is deteriorating constantly. New infrastructure is also being created which places further pressure on maintenance resources. There is a Provincial road (Hope Street) running through the Kokstad town. Significant problems are currently encountered with the maintenance of this road since Province lacks the necessary funds to maintain or upgrade this road.

### 2.5.5.5 CEMETERIES

There is an under-supply of cemeteries in the area, especially considering the expected number of HIV/AIDS related deaths over the next 10 years. Appropriate facilities need to be provided throughout the area with due cognizance of religion, culture and tradition. Update status of cemetery – land obtained. Currently, the municipality is in the process of establishing one additional cemetery having obtained land and prepared the land, an environmental impact assessment will be done and so on. This however is inadequate to address the future predicated needs for burials. In addition, for cultural reasons it is required that cemeteries be located relatively "close" to inhabitants.

## 2.5.6 HUMAN SETTLEMENTS



Figure 11: Shayamoa Housing Development



Figure 12: Bhongweni housing development

Human settlement patterns are typical, with the older part of town housing the more affluent (historically white) population in the leafy suburbs, with peripheral poor (black) townships. The suburbs are low density, with large sites along tree lined streets, and single storey bungalow built form. Site sizes range from over 4000m<sup>2</sup> (the zoning allows a minimum of 1800m<sup>2</sup>), compared to the township areas, which are zoned for 450m<sup>2</sup> sites but in fact the average is more like 300m<sup>2</sup>. Parts of the old town lend themselves to densification, and the strip along the river, to the east, is particularly in need of intensification, and presents an opportunity to improve the sustainability of Kokstad as a settlement.

The Shayamoya Township is characterised by monotony, and lacks legibility, partly through the layout design that is predicated on engineering efficiency and lowest cost. Most sites have pedestrian access, or in some instances roads that have only been half surfaced, no storm water control system in place and the current sewer system is old and under huge pressure as over spills are day to day experiences. The character of Shayamoya is largely determined by a mass housing approach to delivery, also evidenced by the mono-functional land use.

Bhongweni Township is older, is on flatter land, and although also delivered through state subsidies for incremental housing, the grid layout and street scale has resulted in a very pleasing character. The area has been identified through additions to the original RDP houses, often to provide rooms for tenants. A central social facilities precinct, as well as pockets of houses for slightly higher income residents, provides relief and as emblems of human settlement rather than a housing project. Informal settlements at the edges of the townships site either on the steepest slopes or dangerously close to the river, and are the object of proposed slums clearance projects.

There is a housing shortage across all segments of the market, and proposed private development projects (approved, or in preparation) on the edge of town area less sustainable model of development than intensification of the current foot print would be, and will extend the infrastructure burden for the municipality.

The proposed R56 project has potential to address many of the housing issues in Kokstad, but is still in the early project preparation stage. Social rental housing would be an appropriate strategy to address some of the demand and backlog, but currently the pre-conditions for GKM to receive social housing subsidies and restructuring grants are not in place.

Franklin comprises the old railway village, a large informal settlement, and a new housing project, currently under construction. Mass housing delivery is not a sustainable proposition, but coupled with appropriate economic development, and Rein statement off reightrail capacity, could have the potential to be developed as an important node.

### Current Housing Demand

The Housing Sector Plan (GKMHP:2007) indicates that Greater Kokstad faces a low and middle-income housing crisis. It broadly describes the housing demand as follows:

- Need for low-income(fully subsidized) houses at 1000.
- Informal settlements need to be relocated or upgraded.



- Highly constrained, demand-driven private housing market with inflated house prices, in all market segments.
- Demand for housing is across the board, ranging from single-person rented accommodation, through basic fully-subsidized housing units, to middle and upper-income bonded accommodation.

The lack of accommodation contributes to pressure on existing housing, with the negative outcomes of squatting, overcrowding of existing houses, down-market "raiding" by higher income households and escalating of rentals and sale prices of houses.

The following projects have been approved by the MEC and are being implemented:

**Table 27: Municipal Housing Projects**

PROJECTCODE	PROJECT	FUNDING		
		2012/13	2013/14	2014/15
K03070012	Franklin Housing Project	R11m	R11m	
K0711001	Makhoba Housing Project	R27,5m	R18m	R44m
K19970177	Shayamoya Phase 2	R4,4m	R7m	R22m

## Housing Key Issues

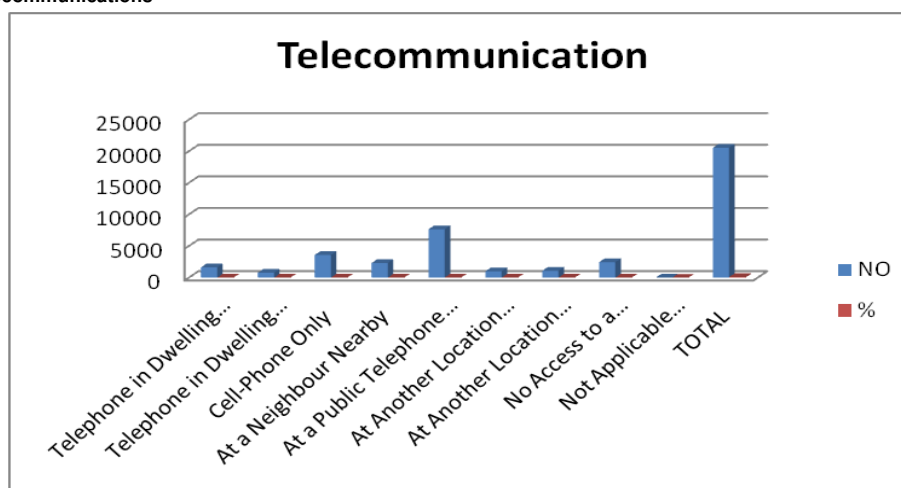
The IDP identifies the following key issues in terms of housing:

- High prices of privately owned land a lack of land to build houses;
- Private shack settlements as an income-generating activity;
- Urbanisation results in growing number of informal settlements;
- Speculation in up-market housing, especially in areas outside any Strategic development framework: This results in adhoc development and cost inefficiencies;
- The lack of funding and the non-alignment of municipal and government department budgeting processes;
- The lack of bulk services for housing developments

## 2.5.7 TELECOMMUNICATIONS

The municipality is the primary node of the district municipality of Sisonke and services an area beyond its boundaries for a range of activities. The Kokstad town is also a boarder town and services as a gateway to KZN from the Eastern Cape province and Lesotho this therefore makes communication in and around the town one of the important services that can create an enabling environment for businesses and government offices. The graph below depicts the different type of telecommunication used with the Greater Kokstad Municipal Area.

**Figure 13: Telecommunications**



Source: Statistics SA census 2011

## 2.5.8 SERVICE DELIVERY& INFRASTRUCTURE: SWOT ANALYSIS

Table 28: Basic infrastructure: SOWT Analysis

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>○ Energy master plan developed and implementation to commence shortly</li> <li>○ There is a number of housing projects that are under construction</li> <li>○ Basic infrastructure (water, housing and sanitation) is in place</li> <li>○ There has been an increase in the number of households with access to running water within the yard.</li> <li>○ The municipality provides subsidized electricity and other services to indigent households</li> </ul>	<ul style="list-style-type: none"> <li>○ Legacy of apartheid left GKM spatial disintegrated</li> <li>○ Lack of attractive Infrastructure</li> <li>○ Need incentives to attract Investment</li> <li>○ High property prices</li> <li>○ Ageing infrastructure into of water, sanitation and transport channels.</li> <li>○ Limited Land availability</li> </ul>
OPPORTUNITY	THREATS
<ul style="list-style-type: none"> <li>○ New roads under construction</li> <li>○ Council prioritizing and budget for infrastructure Influx of people into the town-service area</li> <li>○ There are sufficient systems in place to manage waste</li> <li>○ There is a poverty alleviation systems (food for waste programme) in place</li> <li>○ Housing and Electricity backlog is currently being addressed through the municipality Slums Eradication initiative (Horseshoe, Phase two Shayamoya and Franklin housing projects)</li> </ul>	<ul style="list-style-type: none"> <li>○ Housing delivery delayed</li> <li>○ Electrical infrastructure is aging</li> <li>○ Pressure on the existing electricity systems</li> <li>○ Ageing infrastructure is placing the council under pressure to refurbish</li> <li>○ Low quality of roads are causing the municipality's maintenance costs to rise and inconsistent appointment of contractors</li> <li>○ An increase in the number of waterborne sewerage system connections has added pressure onto maintenance costs</li> <li>○ Limited Land availability for development</li> <li>○ Dumping of refuse haphazardly has become a problem especially outside the Kokstad town</li> </ul>

Key Challenge	<ol style="list-style-type: none"> <li>1.) Insufficient Electricity Supply within the GKM supply area</li> <li>2.) Aging basic infrastructure (water, sanitation, electricity Roads)</li> <li>3.) Limited land availability and middle income Housing</li> </ol>
Description	<p><b>Insufficient Electricity Supply within the GKM supply area</b></p> <ul style="list-style-type: none"> <li>• The GKM receives electricity as part of the national grid and does not produce its own energy</li> <li>• About 1295 units are not electrified</li> <li>• Due to an increased demand of electricity, the GKM has applied for an increase in voltage which has been rejected by Eskom</li> <li>• There is a superficial backlog within Kokstad due to current informal settlements which is being addressed through the Municipal slums eradication initiative</li> </ul>
	<p><b>Aging basic infrastructure (water, sanitation, electricity Roads)</b></p> <ul style="list-style-type: none"> <li>• The quality of roads in GKM is not up to standard due to a number of factors such as contractors not completing work on time usually leading to an appointment of a new contractor</li> </ul>

	<ul style="list-style-type: none"> <li>• The existing infrastructure is deteriorating and with the creation of new infrastructure, maintenance costs are rising, the municipality in its current budget cannot afford such pressures</li> <li>• Dumping of refuse haphazardly has become a problem especially outside the Kokstad town</li> <li>• An inability to identify a suitable land fill site</li> </ul>
	<p><b>Limited land availability and middle income Housing</b></p> <ul style="list-style-type: none"> <li>• Middle income housing is also highly required and its shortage has resulted in high rental costs and sale costs</li> <li>• Lack of correct alignment of government and municipal budgets for housing provision</li> <li>• Shortage of municipally owned land available to build more houses where private land is available, owners are asking for very high sale prices</li> </ul>

The following priority development issues were identified for this section.

### **Water and Sanitation**

- Most households have access to water and sanitation, there remain substantial backlogs that need to be eradicated.
- Water services infrastructure in Greater Kokstad Municipality needs upgrading and ongoing maintenance.
- Ways of reducing inefficiency, waste and water loss need to be investigated.
- The urban areas has proper water borne sanitation systems, but rural areas still rely on pit latrines or no system at all. This places tremendous strain on the environment and poses a health risk.

### **Waste Disposal**

- Currently 100% of urban households within the whole municipality are covered by a waste collection system, whilst no rural households are covered.
- Dumping of refuse has become a major problem, particularly in areas outside the Kokstad town. This poses serious environmental problems and risks. Efforts are needed to increase people's awareness of the advantages of good waste management practices.
- The projected population increase implies an increase in the amount of refuse to be generated. Serious attention should be given to refuse management.
- Inability to identify suitable available land for a future land fill site. The municipality will consider exploring the option of expropriating suitable land for a land fill.

### **Electricity**

- The Greater Kokstad Municipality's predominant source of energy for lighting is electricity followed by candles.
- The bulk of the urban households have access to household electricity.
- Electricity provision at schools and health facilities are especially critical.
- To ensure the electricity required capacity and the provision of alternative energy the municipality has developed an energy master plan

### **Transport**

- Poor condition of provincial and district roads, and town roads due to poor standard of storm water management drainage and lack of maintenance.
- There are various district roads in the area together with smaller farm or agricultural roads. In practically all instances these roads are in a poor condition and in need of upgrading.
- The poor road network and infrastructure makes access to farms, markets and other business centers difficult and essentially will create delays in the delivery of goods and production of goods.
- There has been a decline in the transport sector with the closure of the Railway.



### **Housing**

- A lack of land to build houses and where private land is available, the landowners (farmers) are asking very high prices.
- Some landowners within the municipality are encouraging shack settlements as an income- generating activity. In most of the cases these people are staying in very unfavorable and squalor conditions, with no access to water and basic sanitation.
- The provision of engineering services and infrastructure often hampers the effective development of sustainable human settlements.
- The rapid growth of the Kokstad town has attracted many people, especially from outside the borders of Greater Kokstad in search for employment opportunities. This has resulted in the growing number of informal settlements.
- Up-market housing is a lucrative market in the certain parts of the Kokstad town characterized by speculation. However, this occurs outside any strategic development framework, resulting in ad hoc development and cost inefficiencies. It has become critical to earmark development boundaries to facilitate more effective and efficient delivery of infrastructure and services.
- The lack of funding and the non-alignment of municipal and government department budgeting processes.
- The lack of undertaking to provide the required bulk services for housing needs delays housing developments.

### **Cemetery**

- New housing developments necessitate the need for more cemeteries in the area.
- Need for cemetery development plan.

## **2.6 LOCAL ECONOMIC DEVELOPMENT ANALYSIS**

### **2.6.1 MAIN ECONOMIC CONTRIBUTORS**

Greater Kokstad Municipality is the largest economic centre within the Sisonke District Municipality, as measured in terms of Gross Domestic Product-Rate). The GDP-R is a measure of economic performance by which the final value of goods and services produced in the economy is estimated. According to the Global Insight, 2011 the level of Greater Kokstad Municipality GDP-R is measured in a percentage form. The contribution of Sisonke District Municipality towards the KZN GDP is constant whereas the Sisonke Local Municipalities (including the Greater Kokstad Municipality) contribution towards the Sisonke District Municipality illustrates an incline of 0.5% GDP-R in 2005 and 2010. The table below shows the summary of the contribution of GDP-R within the District Municipality and Sisonke Local Municipalities.

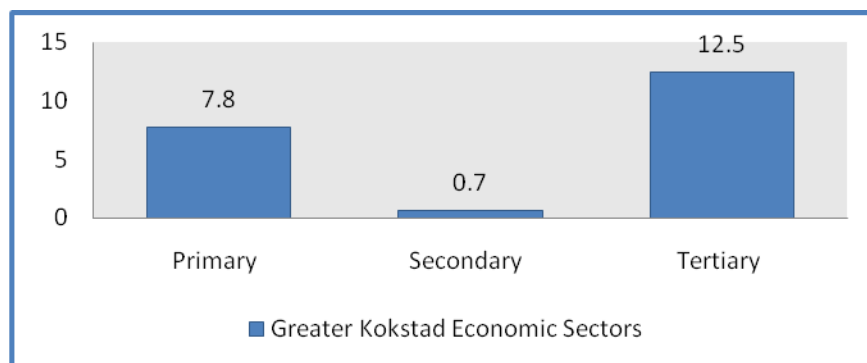
**Table 29: GKM Contribution to Gross Domestic Product Rate**

<b>GKM % Contribution by Sisonke towards KZN GDP-R</b>			<b>GKM % contribution by Sisonke LMs towards Sisonke DMs GDP-R</b>		
<b>2001</b>	<b>2005</b>	<b>2010</b>	<b>2001</b>	<b>2005</b>	<b>2010</b>
0.3%	0.3%	0.3%	23.2%	23.7%	23.7%

Source: Global Insight, 2010

The economic sectors are differentiated into three sectors, primary sector, secondary sector and tertiary sector. According to the Global Insight (2011) states that tertiary sector recorded the highest sector in the Greater Kokstad Municipality with the level of 12.40%. However the major economic sectors in the Greater Kokstad Municipality are agriculture, government and community services followed by wholesale and retail. The remaining sectors (manufacturing, business services and construction) are relatively small but appear to play significant role in the local economy.

**Figure 14: GKM Economic contributing by Sectors**



## INCOME LEVELS

The table, Table 5 below, shows the average Individual Monthly Income (Percentage of employed). There has been an increase in the number of people with no income and also an increase in the number of people earning between R1-R1400. This doesn't paint a good picture about the employment status in the greater Kokstad.

**Table 30: Average Individual Monthly Income in percentage**

	Greater Kokstad LM(stats 2001)	Greater Kokstad LM(stats 2011)
No income	2.24	38.2
R1 - R400	13.77	17.00
R401 - R800	16.96	4.80
R801 - R1600	22	13.0
R1601 - R3200	19.01	6.00
R3201 - R6400	13.96	3.60
R6401 – R12 800	7.48	4.00
R12 801 – R25 600	2.96	2.30
R25 601 – R51 200	0.98	0.60
R51 201 – R102 400	0.37	0.10
R102 401 – R204 800	0.18	0.09
R204 801 – More	0.11	0.05

Source: Statistics South Africa, Census 2011

The population earning within R6401 – R12 800 are predominately employed in the government and community services sector.

## Growth and Unemployment

Despite growth in most sectors the municipality has however experienced higher and rising unemployment rates (30.80%). The following are some of the reasons for the continued and rising unemployment in the municipal area:

Growing sectors such as Finance are not necessarily major employers and also require skills that the GKM cannot offer such finance, actuarial technicians, etc. This general structural problem (skewed labour supply not aligned to industry needs) coupled

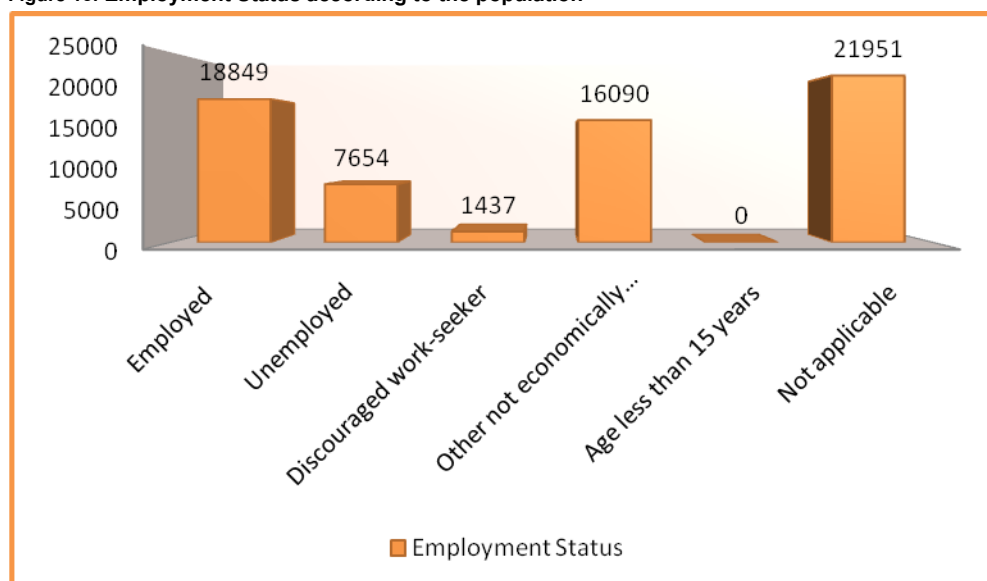
with lack of new investments in the agricultural sector, construction (which predominantly short term and unsustainable) and declining manufacturing sector hampers local employment creation opportunities.

There are more new job seekers than the market can absorb. This challenge is compounded by the fact that most people from the neighbouring municipalities tend to settle in GKM because of better prospects of finding employment than in generally depressed economies where they come from.

## Employment

Kokstad Municipality experiences challenges in terms of employment, due to high migration of people from the Eastern Cape and Lesotho into the area in search for employment opportunities. The municipality is therefore faced with a challenge of planning, providing basic services, housing and creating employment opportunities for its growing communities.

**Figure 15: Employment Status according to the population**



Source: Stats SA census 2011

In terms of Statistics, census 2011 the employed population from the economically active comprises of approximately 19 000 people. The remaining 7 000 are unemployed. Approximately 16 000 people of Greater Kokstad are not economically active.

The agricultural sector employed the highest number of people. A survey conducted by Global Insight in 2003 shows that agricultural sector employed 3 654 followed by households (1 320), trade (1 233), community services (1 233), finance (481), manufacturing (227), transport (95), construction (82) and electricity (26).

It is important to note that despite the higher employment in the household sector the quality of jobs and wages paid remain a challenge notwithstanding the Department of Labour's Wage Determination for Domestic and farm workers. However, its importance in providing many households with income cannot be undermined. To resuscitate the GKM economy in a manner that enables it to create more jobs will require higher levels of growth in particular in the Agriculture and Manufacturing sector. This is mainly because of the potential and competitive advantage that the GKM has. Other important job creating sectors include Trade, Construction and the Services Sector. It is within this basis that GKM and KZN provincial treasury have initiated a multi-million rand light industrial park within the Bongweni area.

Formal sector employment in the GKM once again indicates the importance of the agricultural sector followed by the trade, households, finance. The low employment in the manufacturing sector indicates the decline in the importance of the sector as the job creator in the GKM economy.

**Table 31: Formal Sector Employment**

	Agriculture	Mining	Manufacturing	Electricity	Construction	Trade	Transport	Finance	Community services	House holds	Total
Sisonke	10,558	0	988	55	144	2,935	369	928	4,429	3,143	23,550
DM											
GKM	3,654	0	227	26	82	1,233	95	481	1,233	1,320	8,353

Source: Global Insights

The agricultural sector employed the highest number of people in 2003 with 3 654 employed followed by households (1 320), trade (1 233), community services (1 233), finance (481), manufacturing (227), transport (95), construction (82) and electricity (26).

## 2.6.2 MUNICIPAL COMPARATIVE & COMPETITIVE ADVANTAGES

Kokstad town is providing jobs, services, retail areas, a transportation hub and living spaces in close proximity to amenities for those living and working in the area as well as for those willing to travel to it.



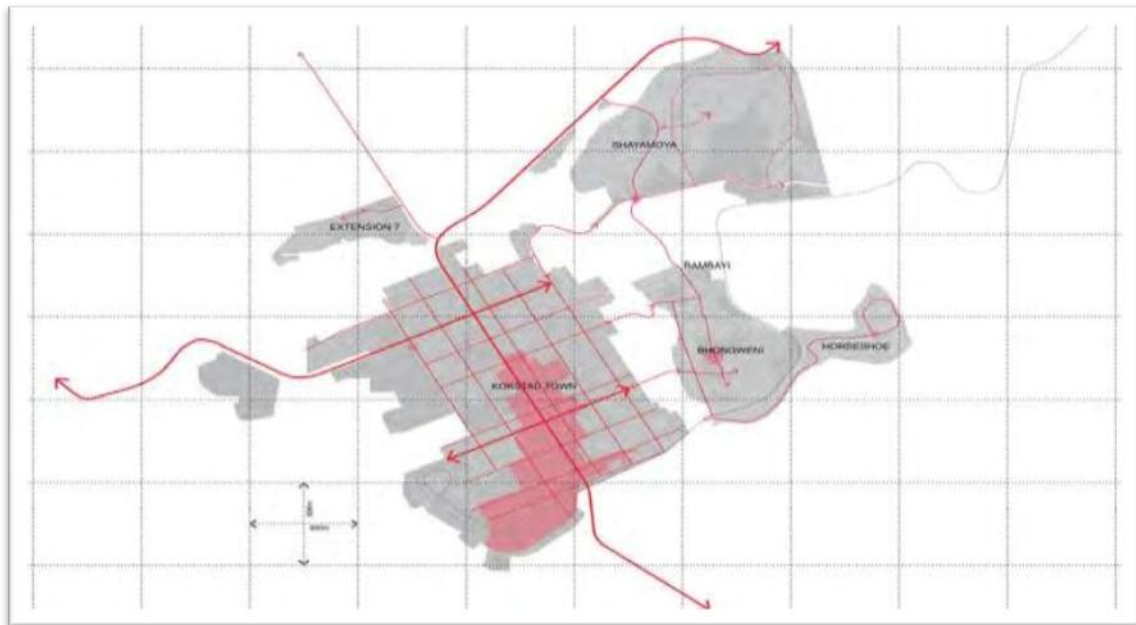
**Map 6: A structure showing Kokstad town as an attractor**

According to (ISDP status quo report: 2012) education and retail are main attractors --50% of people choose to live in kokstad because of these 64 %people coming from outlying towns: mount ayliff (18%), flagstaff (4%) mthatha (3%), lusikisiki (3%), mata1ele (5%), umzimkulu (5%) and bizana (5%) and others. Retail range includes significant proportion of national chains, locally owned retail and spaza shops. Significant national retail chains dependant on road based transport and generating pollution via road freight. Significant numbers of regional government services (health, justice) draw people to kokstad to access services and jobs. High demands for short term and rental accommodation for people working in the Eastern Cape as well temporary residents / contract workers.

### **DETRACTOR**

The key detractors are the poor quality of local roads, the lack of employment opportunities, and crime. Failures of government service provision (water and electricity cuts, poor sewerage management, the small size of RDP houses) collectively form another major detractor (GKM IDP: 2011) the lack of entertainment opportunities is noted in the 2011 LED master-plan as a major shortcoming with respect to the attractiveness of kokstad as a place to live. People also travel long distances from kokstad - mainly to Port Shepstone and Durban - for tertiary education and entertainment. While Kokstad has a large number of primary

and secondary schools servicing the broader region, there is an urgent need for locally based tertiary training. The lack of recreational and sports activities in the town is considered a significant problem for the youth, who also suffer very high unemployment levels.



**Map 7: Town Settlement Structure**

One of Kostas's defining characteristics is that of a town within the countryside. It's compact settlement footprint which makes it accessible and convenient and offers a connection with the landscape and surrounding mountains that would be envied in many cities of the world. This close relationship with nature should be protected as an asset that will support the long term attractiveness of the town. These links with nature are reported in policy documents such as the LED master plan as qualities that attract people to live in Kokstad. While the river valleys and natural areas currently entrench segregation between the fragmented parts of Kokstad, they also offer an opportunity to integrate the town and give it a new heart.

Kokstad suffers from severe spatial and socio- economic segregation as a result of the topography, reinforced by apartheid planning legacies, the settlement footprint of Kokstad is made up of 5 distinct isolated parts located on hilltops separated river valleys and hilltops; Kokstad Central, Bhongweni, Shayamoya and Extension 7 linkages between the separate settlement areas are limited with few bridge links across the rivers.

While Kokstad central is well connected into the wider region, linkages beyond the Bhongweni and Shayamoya into the region are limited with the result that these areas are isolated with limited through routes and limited access and convenience.

In terms of equitable access, facilities and opportunities are not distributed equitably across all parts of Kokstad. High density, mono-functional townships are removed from the integrated but low-density historic town. Services and economic activity are concentrated in the historic CBD core with little to no meaningful economic opportunity with the adjacent townships. In relation to the concept of "neighbourhood completeness" (far, sustainable urbanism: urban design with nature, 2008), 797ha (50% of the urban area) is within 800m walking distance of zones that support commercial and/ or industrial development. Most of Bhongweni and the whole of Shayamoya and extension lie outside this area.

At approximately 4km x 4km in extent, the scale of Kokstad makes it highly accessible on foot and by bicycle. However, the experience of pedestrian and cycle users could be greatly enhanced as real accessibility and convenience are also depend more than simple distance. As the townships are approximately 2km from the CBD and therefore max 25minutes to 3/4 hr. walking time, most people can reach basic essential services on foot within this time. Sustainable settlement targets promote a maximum walking time of 20 minutes to reach services and opportunities required on a daily basis. The number of people that can travel in

a public transport vehicle can far exceed the number of people that can travel in a private vehicle. This makes the use of public transport more energy efficient and again the priority in relation to sustainability.

There are currently several ranks located within 300m of each other within Kokstad which are not physically connected to each other; the main bus rank is located on the corner of Groom Street and main road on the periphery of the CBD. This rank caters too long distance commuters and has sufficient capacity. The Kokstad taxi rank off dower road operates as a long-distance/interprovincial rank and is therefore not surprisingly "empty" at peak hours, but over-utilized at midday. Management of parking/ranking at the rank is problematic leading to congestion. A smaller taxi rank operates off dower road from behind the rhino plaza. This rank services commuter minibuses and is over utilized and congested. There is a small taxi rank at Shayamoya servicing commuter taxi's that requires an infrastructure upgrade.

There is evidence of some of the local mini-bus taxi routes between the CBD, Shayamoya and Bhongweni townships been upgraded. Shelters are provided at some of the mini-bus taxi stops along various routes but infrastructure for the local commuting routes is not well established and requires intervention. There are minimal bakkies, taxis in these areas (not as many as in other rural KZN / EC towns). Informal / illegal bakkie taxis should be phased out and replaced by the minibus taxi, provided that rural roads are of good quality. According to the Sisonke District PTP, the capacity of the Kokstad taxi rank is extremely stressed at more than 100% utilization.

### **Kokstad CBD**

Kokstad CBD, in common with most South African CBDs, is experiencing a gradual but constant process of physical and economic deterioration and decline. However in response to the above current situation, Greater Kokstad municipality in partnership with Sisonke District Municipality has conducted an urban regeneration study which aims to achieve the following outcomes:

Guide the decision makers towards the right direction for the implementation of plans guide the local economic development vision of the municipality which is to ensure an economical vibrant city by strengthening and diversifying of economic sectors thereby delivering sustainable and affordable services in a safe and healthy environment. Improve the physical appearance of the town, allow better functioning and attract investors as well as tourist to the area.

The Greater Kokstad Municipality has also obtained funding from the Kwazulu-Natal department of cooperative governance and traditional affairs through the small town rehabilitation programme to assist the municipality on face lifting its town. The project under this programme entails the rehabilitation of storm water drainage in Kokstad town, provision of parking and sidewalks, urban greening, streetlights and market stalls. The municipality is confident that the implementation of the programme will build the confidence of the investors to invest in the kokstad town. This will further boost and contribute to the economic growth of the Greater Kokstad Municipality.

The Greater Kokstad Municipality has further developed a development charter with the assistance of the development bank of South Africa (DBSA) which has received an enormous reception by all the intended audience. The main aim of the charter is to ensure that all future development initiatives and projects are sustainable, and has a buy-in of all organized stakeholders as the basis for exploiting the potential of Greater Kokstad Municipality and for the benefit of the community. Through this charter the municipality in partnership with DBSA has prepared an integrated sustainable development plan (ISDP) which is a long term (2040) plan for Kokstad. The purpose of ISDP is to integrate and harmonize issues and potential of human well-being, economic development and environmental integrity.

### **Economic Development Opportunities**

The strategic location of Greater Kokstad Municipality along the N2 development corridor that links the area to the major economic nodes such as Port Shepstone and Durban and in the Kwazulu-Natal province and Umtata in the Eastern Cape Province offers good investment opportunities. Therefore, Greater Kokstad an advantage of strategically re-aligning the district into a competitive and attractive investment destination.

The strategic positioning of GKM is to be an area of choice for investors and the best place to visit and settle in. This positioning is informed by the strategic location of GKM within the district and neighbouring municipalities such as uMzimvubu, Matatiele,

Ntabankulu and Mbizana. In addition, GKM enjoys a competitive advantage because of its relatively developed infrastructure. The existence of the railway line within the municipality gives it an added advantage because once rehabilitated it will ensure improved and efficient markets access.

### **Local Economic Development**

Greater Kokstad Municipality has developed a Local Economic Development Strategy. The strategy entailed the preparation on an in depth sector analysis of, amongst others, employment, infrastructure and agriculture. The role of each of the above was analysed with regard to the Local Economic Development. For example, the role of education and HIV/Aids impact on the skill level and availability of labour in the municipality; the provision of basic services relates to both health and availability of time resources for economic activities. The following GKM Local Economic Development goals contained in the strategy:

- A holistic, vibrant and sustainable agricultural and forestry sector
- Market and Promote GKM as a Regional Economic Hub
- Develop GKM as a manufacturing and processing hub
- Enhance Enterprise and Community Development and Support
- Strengthen stakeholder participation to enhance co-operative governance
- Create a safe and secure destination that promotes tourism and settlements
- Human Capital Development

The following comparative and competitive advantages of Greater Kokstad Municipality are provided in the above strategy:

GKM enjoys a competitive advantage because of its relatively developed infrastructure. The existence of the railway line within the municipality gives it an added advantage because once rehabilitated it will ensure improved and efficient markets access. The agricultural sector dominates the municipal economy. The products dominate timber production, citrus farming, livestock (dairy, beef and sheep production) and cropping (potatoes, maize, soya, essential oils). The industrial sector – opportunity exist in the GKM for processing of agricultural goods in the form of Timber milling and the manufacturing and marketing of wood products.

The municipality is crossed by a number of main transportation routes such at the N2 The Greater Kokstad Municipality is crossed by a number of important transportation routes, such as the N2 Development Corridor that links the area to the major economic hubs such as Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province.

The town of Kokstad has a good location being on the N2 between the north east and Umtata in the South. Other regional access roads include the R56 to Cedarville and Matatiele in the west and the R617 to Franklin, Swartberg, Underberg and Pietermaritzburg in the north of the municipality.

### **2.6.3 AGRICULTURE**

Agriculture is an important sector for the Greater Kokstad Municipality economy. The municipality needs to consider the impact on agriculture from all other economic activity and identify ways to preserve and strengthen this sector as a viable economic mainstream. There are various levels at which the stimulation of this sector can target the stimulating of agricultural practices for the purposes of commercial production, this aims at creating sustainable livelihoods and developing economic capacity. The “tried and tested” agricultural enterprises that dominate in the Greater Kokstad Municipality include:

Table 32: Tried and Tested agricultural enterprises

Livestock	Cropping	Viable alternative crop
Dairy	Potatoes	Soya
Beef	Maize	Apples
Sheep	Vegetables	Berries
		Essential oil

In 1998 dairy products contributed 41% to the Gross Agriculture Output of the sub region, followed by beef and maize, which contributed 18%. Sheep also made a significant contribution of 12%. The least contributors to Gross Agricultural Products were potatoes and cabbages, 3% and 6% respectively.

#### **2.6.4 TOURISM**

The tourism sector has enormous potential in the Greater Kokstad Municipality area and the municipality has identified the need to improve and enhance the tourism sector. At the moment there is a growing interest in the Greater Kokstad Municipal area for its environmental, cultural and off road experiences. This is an important economic sector in the municipality and requires careful stewardship of the environment by the municipality and government agencies. The tourism assets base for the Greater Kokstad Municipality is shown on the following table.

Table 33: Tourism Asset Base

Primary Tourism Attractions	<p>The wetlands in the Franklin area for avi-tourism</p> <p>Singisi Forest for trails, avi-tourism, biking and hiking</p> <p>Nsiken Nature Reserve</p> <p>Mount Currie Nature Reserve</p> <p>Cultural Heritage Experiences</p> <p>Local museums – Kokstad Museum</p> <p>Monuments and sites of historic interest – Adam Kok's Monument and laager / Religious sites (multi denomination places of worship / Kokstad Town hall Precinct (with bandstand and CMR Memorial) / Scouts Monument</p> <p>Hiking trails – 9 Venues</p> <p>Horse trails – 4 Venues</p> <p>Duck hunting at Franklin</p> <p>Aqua sports at Crystal Spring Dam</p> <p>Fly fishing under auspices of angling clubs</p> <p>Sports (multi venue)</p>
Secondary Attractions	<p>Tourism</p> <p>Agro tourism – farm stay</p>



	<p>Event Based tourism</p> <p>Cycling</p> <p>Triathlon – Crystal Springs</p> <p>Multi activity at various venues / facilities</p>
Visitors Facilities	<p>Visitors Information outlets at Mt Currie Inn, Swartberg and Kokstad Museum</p> <p>Accommodation: B&amp;B (+_45), Hotel (1), Self-catering (5), Lodges (5)</p> <p>Hard infrastructure – access roads and signage</p> <p>Essential services – hospitals, medical, breakdown, police, banking</p>

### **2.6.5 MANUFACTURING (INDUSTRIAL)**

#### Manufacturing and industrial opportunities

Various sites in the greater Kokstad municipality are zoned for industrial development within Kokstad town. Although most and these sites have been used mainly for warehouse and wholesale activities, however, it is interested to note that there opportunities exist in the greater Kokstad municipality for processing of agricultural goods in the form of timber milling and the manufacturing and marketing of wood products.

Most of the manufactured items within the municipality are imported development of manufacturing industries can prove to be a major boost in the economy of the municipality. One of the catalytic projects that has been identified to address this is the light industrial park in Bongweni the railway line provides good opportunity for rail transportation of goods.

### **2.6.6 SERVICES**

This section reviews the role of retail, trade and other services in the Greater Kokstad CBD. A consumer survey was done in July 2011 over 5 days at the Kokstad CBD it details the results of over 100 Consumer questionnaires. Only 34% of consumers interviewed in Kokstad actually live in Kokstad. A large 66% came from other areas to shop in Kokstad. Approximately half of those came from areas in the Eastern Cape. This shows that Kokstad town serves as a 'shopping mall' for people from other areas. This is excellent for GKM's economy and is currently a major driver of economic growth. It is vital that this advantage is maintained and that development continues to flow into the services sector. Over 30% of consumers were in town to do bulk or top-up grocery shopping. 18% were there to buy clothes and shoes, while 13% were there for work reasons. The majority of people who stated a second reason for being in town included shopping for clothing and shoes and work as their reasons. This graph shows the importance of supermarket outlets in Kokstad in attracting people to Kokstad. The creation and retention of small, locally owned supermarkets could serve to harness some of the benefits of this economic activity. The supply of locally grown produce to these retailers should also be investigated. The graph also shows the wide variety of activities that are undertaken in Kokstad. Further expansion and diversification of the tertiary sector should be encouraged as there is a demand. Interviews suggested that there is not a supply of furniture and home decoration stores in kokstad.

It was found that everyone who lives in Kokstad uses Kokstad for all these items/services except for entertainment – 6% of people who live in Kokstad travel to Durban for entertainment and 3% travel to Port Shepstone. This shows that there is potential to develop an entertainment sector within Kokstad as there is a demand that is going elsewhere to purchase. This desire for entertainment was picked up throughout telephonic interviews as well. After dark, Kokstad has almost no activity. This lack of entertainment also includes day time activities for children and adults such as sports clubs, hobbies and recreational parks. The new sports complexes in Bhongweni and Shayamoya should serve to relieve some of this demand. However, while it is clear that there is some demand, the question of whether there is sufficient demand and willingness to pay in order to sustain a viable business opportunity needs to be further investigated.

Insert graph

## 2.6.7 LOCAL ECONOMIC DEVELOPMENT: SWOT ANALYSIS

Table: 34 LED SWOT

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>Relatively developed infrastructure</li> <li>Well established <b>agricultural sector</b> in the municipal economy.</li> <li>Well-structured and active Chamber of Business</li> </ul>	<ul style="list-style-type: none"> <li>Lack of investments to establish timber production, citrus farming, livestock (dairy, beef and sheep production) and cropping (potatoes, maize, soya, essential oils).</li> <li>Lack of investment towards the finance and construction sectors and the unavailability of required skills by such sectors</li> <li>The Tourism sector as an economic contributor has not been well developed thus far and more investment needs to be channeled towards developing this sector</li> <li>High unemployment rate</li> </ul>
OPPORTUNITY	THREATS
<ul style="list-style-type: none"> <li>An Agri-Processing opportunity exists in the GKM since a number of agricultural goods are being produced locally.</li> <li>The municipality is crossed by a number of <b>main transportation routes</b> such as the N2 and R56 providing a number of opportunities.</li> <li>Increase wireless connections- need to identify</li> <li>Wi-Fi hotspots to strengthen tourism through technology</li> </ul>	<ul style="list-style-type: none"> <li>Climate change heavy Snow</li> <li>The percentage of people earning below R1600 has increased between 2007 &amp; 2011</li> <li>Influx of people from neighbouring municipalities is causing a challenge for creating job opportunities</li> <li>Low salary scales by industries which absorbs more of GKM's labour force</li> <li>Aging infrastructure</li> </ul>

KEY CHALLENGE	<b>1 High Rate of unemployment, poverty and low economic growth</b> <b>2 Underdeveloped manufacturing and agricultural sectors</b> <b>3 Low levels of literacy and skills development</b>
Description	<p><b>High Rate of unemployment, Poverty and low economic growth</b></p> <ul style="list-style-type: none"> <li>Kokstad as a border town experiences high levels of immigration of people from surrounding municipalities, mainly in the Eastern Cape and the neighbouring Lesotho thus the GKM has a continued challenge of creating more employment opportunities</li> <li>Sectors which offer more employment opportunities i.e. finance, construction require scarce qualifications i.e. actuarial technicians, artisans etc.</li> <li>The Agricultural/Farming sector which absorbs most of the population(+/- 30.73%) in the GKM offers very low remuneration ( R1 –R800)</li> <li>Another sector which provides most of the employment in the GKM jurisdiction, the retail sector, also offers low salaries of between R801 – R3200</li> <li>The tourism sector as an economic contributor has not been well developed thus far and more investment needs to be channelled towards developing this sector</li> </ul>
	<p><b>Underdeveloped Manufacturing and Agricultural Sectors</b></p> <ul style="list-style-type: none"> <li>There is a huge opportunity for processing goods in the agricultural sector i.e. food products, timber milling etc., however there is no investment channeled towards establishing such facilities</li> <li>The limited availability of land results increased land prices</li> </ul>
	<p><b>Low levels of literacy and skills development</b></p> <ul style="list-style-type: none"> <li>The GKM does not have sufficient Tertiary institutions as a result people have to commute for long distances to access Tertiary Education facilities.</li> <li>The GKM lacks the availability or establishment of skills development programs or</li> </ul>

KEY CHALLENGE	1 High Rate of unemployment, poverty and low economic growth 2 Underdeveloped manufacturing and agricultural sectors 3 Low levels of literacy and skills development
	funding aimed at such programmes/projects, especially those focusing on the youth <ul style="list-style-type: none"> <li>• 41% of the population is below the age of 19 hence the need for more education facilities is evident</li> <li>• Only 7% of the population has a qualification higher than a Matric this result in inward migration of qualified people to Kokstad</li> </ul>

## Economic Key Issues: concluding summary

The following priority development issues were identified for this section.

### Local Economic Development

- ❖ Building of Capacity: internally and externally;
- ❖ LED contributes to alleviating poverty & job creation;
- ❖ Access to financial support & services;
- ❖ Support to SMMEs;
- ❖ Infrastructure development to support LED;
- ❖ Collective ownership by all stakeholders of the way forward (Political, Administrative, Private Sector, Community etc.).

### Local Tourism Development

- ❖ Institutional development and management
- ❖ Harness tourism opportunities
- ❖ Tourism operations

### Agricultural Development

- ❖ Support Agricultural Development
- ❖ Alignment with Department of Agriculture
- ❖ Support cooperatives that are involve in agricultural production

### Business & Industrial Development

- ❖ Attraction of outside Investment
- ❖ Retention of existing investment
- ❖ Sustainable Business Development
- ❖ Sustainable Industrial Development

### Economic development challenges

While significant progress has been made in many areas of economic development within GKM, there is still some distance to go towards comfortably addressing the following challenges.

## 2.7 SOCIAL DEVELOPMENT ANALYSIS

Social and community development deals with various issues ranging from health services to education and the provision of community facilities. As such, community upliftment and awareness in matters of gender, HIV/Aids/communicable diseases are of importance here;

### 2.7.1 EDUCATION

An application of planning standards for education facilities reveal that the majority of secondary schools are within the prescribed 3km and 5km walking distance for primary and secondary schools respectively.

Training facilities like the FET College and the Agricultural College are not functioning, indicating a lack of tertiary and training facilities in GKM. The need for tertiary facilities was also highlighted in the household survey, conducted as part of the LED Master Plan.

The Department of Education has administrative regions that bear no resemblance to the boundaries of the Local Municipality. This complicates the coordination of planning and development related to school based education. The primary challenges are the poor condition of classrooms and the lack of utility services linked to these classrooms. In the rural areas specifically, the quality of classrooms is not conducive to achieving appropriate education levels.

A need exists to ensure that the range of subjects offered at schools are in line with the general economic development strategies of the Municipality ,e.g. should agriculture and tourism be viewed as growth sectors in the economy. The DOE should consider approaches to introducing related subjects at schools. Entrepreneurial development and access to information technology are seen as essential for ensuring the future integration of the economy of the Local Municipality & District into the global economy.

### **2.7.2 HEALTH**

The majority of the health services are located within Kokstad town. Health services are available in the form of Primary Health Care Services offices and East Griqualand Usher Memorial Hospital. The Department of Health is implementing the District System, which aim sat achieving the highest level of health services at a local government level. These include the following patients from Kokstad, Swartberg, Franklin and UMzimkhulu with cross borders from MtAyliff, Ntabankulu, MtFrere, Lesotho and Bizana. The hospital was the first to be awarded Baby Friendly Status in the Sisonke District.

The Kokstad clinic, Gateway Clinic and Family Planning clinics are the three clinics within the Greater Kokstad Municipality Area. The Kokstad District is mainly responsible for operating mobile clinics in rural areas and family planning clinic in Kokstad. The area has a severe backlog of clinics and there is a need for construction of well-equipped clinics. A psychiatric clinic exists in the area, but lacks proper premises and equipment. There are two mobile clinic teams in the area, which provide comprehensive primary healthcare in rural areas, including farms. The visits are mainly and sometimes twice a month. There is also a School Health Services Team responsible for promoting health hygiene in schools.

A number of private doctors are also found in the CBD; Kokstad Private Hospital opened in 2005 with 12 beds and has since grown to 36beds. It serves the people with a 180km radius. Kokstad Private is a family community hospital and offers a wide range of medical services, including General Surgery, Gynecology and Obstetrics, High Care, Ophthalmology, Orthopedics, Pediatrics, Urology, 24 hour Accident and Emergency Unit.

### **2.7.3 SAFETY & SECURITY**

Being mindful that Crime levels have an impact on economic development, safety and security in an area requires focused attention to align with the economic objectives and their related impacts/ outcomes for the municipal area. The dominant type of crime currently is burglaries, especially in areas of high population density. Inadequate police presence, lack of police stations in rural areas needs to be addressed, in addition to a more visible municipal traffic police.

### **2.7.4 COMMUNITY DEVELOPMENT (VULNERABLE GROUPS & YOUTH DEVELOPMENT)**

#### **2.7.4.1 WELFARE**

The main component of the Social Security Programme implemented with-in Greater Kokstad Municipal area is the distribution of social pensions which comprise a large part of the overall welfare budget. A number of pensions are included in this programme, most notably old age pensions, child support grants and disability grants. A key issue impacting on planning and development is the general dissatisfaction of pensioners regarding access to pension payment points, both in terms of location and number. The Social Welfare Services Programme is aimed at directly addressing social support needs at an individual, groups or community level. Social workers assist individuals and groups to address a variety of problems and situations, the focus being on the youth, elderly, victims of crime, people with disabilities, substance abuse, special needs such as HIV/AIDS, and women. Access to these services and programmes seems to be limited and not well coordinated.

In addition, there is a lack of alignment between various sectors including municipality with Social Development to have necessary impact (i.e. special programmes done by municipality but not aligned with Social Development and other stakeholders programme and projects).

#### **2.7.4.2 POVERTY ALLEVIATION**

There is no coordinated, targeted approach towards poverty alleviation by the various stakeholders within the municipal area.

Different departments are implementing their poverty alleviation programmes in isolation of one another. The impact therefore is not what it could be if there was a coordinated, integrated and targeted approach towards poverty alleviation.

#### **2.7.4.3 MARGINALIZED GROUPS**

The municipality has special programmes to address the needs of marginalized groups, these, however focus predominately on “events” rather than sustainable developmental programmes. In addition there is no coordinated, integrated approach between the different stakeholders in their strategies and approaches and interventions regarding marginalized groups.

#### **2.7.4.4 IMPROVED COMMUNITY INVOLVEMENT**

To ensure that community involvement is improved the following will be undertaken:

- IDP Road-shows, two to three per ward depending on size of ward are held, and will continue to be held annually;
- Monthly ward committee meetings with support from ward committee clerks;
- Use of local newspapers (Advertiser and East Griqualand Fever) for placing of public notices;
- The Council meetings are open for members of the public to attend.
- IDP related programmes are published in the quarterly GKM Newsletter
- Regular up-dating of the website and utilization of it as medium of communication, and to encourage participation.
- Public notices located within strategic locations of the municipality.
- IDP Alignment Stakeholder Forum meetings
- Greater Kokstad Municipality publishes its Annual Report.

#### **2.7.5 DEVELOPMENT OF THE PEOPLE WITH DISABILITIES, ELDERLY, WOMEN & PEOPLE AFFECTED BY CRIME, HIV/AIDS, DRUGS, ETC.**

There is a need for more strategic and driven **HIV/AIDS** awareness programmes as the level of AIDS related deaths, especially amongst the youth is high. It is imperative that there is buy-in from communities if the programmes and campaigns are to be successful.

According to a 2005 publication of Development Bank of Southern Africa, the KZN population that was HIV positive during 1991, 1996 and 2001 was, 40000, 634000 and 1643000 respectively-the highest concentration of HIV positive people in South Africa. The following effect of HIV/Aids social should be noted:

- Poorer households are more vulnerable and the epidemic is therefore likely to deepen poverty and compromise upward mobility;
- A greater demand for additional healthcare facilities; and
- A greater demand for financial and welfare support for orphans.

## 2.7.6 COMMUNITY NEEDS

Greater Kokstad communities were asked through IDP Roadshows conducted to all wards to identify community needs for their respective wards. For this exercise to be successful community leaders were asked to involve all community role players. Responses were received from all ward committees and ward councilors as well as from the Kokstad Residents Rates Payers Association and Kokstad Chamber of Commerce. These community needs can be classified as follows:

Table35: Residential Needs

WARD 01				
No.	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01.	Housing	There is still a major housing backlog within the region and this housing shortage still needs to be addressed	Dept. of Human settlements	IPD
02.	Sanitation	A large portion of the ward still utilizes pit-latrines and many are full and have not been drained causing health hazards.	Sisonke District Municipality	IPD
03.	Job Creation Strategy	There is a pressing need for the LED projects focusing in Job creation and Promotion of SMME's and Cooperatives	DED, DOT (EPWP)	OMM – LED
04.	Network – television	Television reception was identified as a need in the area because many homes don't have access to television reception	Dept. of communications	OMM
WARD 02– KRANSDRAAI				
No.	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01.	Housing	A large housing backlog was identified especially in the Weisberg region where the living conditions were seen to be the worst in terms of housing provision.	Dept. of Human settlements	IPD
02	Library	A need for establishment of a library in the area was identified.	DAC	SCD

03	Water	A need for installation of running water was identified especially for the elderly who no longer travel can long distances to collect it.	Sisonke District Municipality	IPD
04.	Network pole	It was noted that majority of the area did not have telephone reception and that network poles were a need in the community.	Dept. of communications	OMM
05.	Television –Network	There is a problem of TV Reception in the area	Dept. of communications	OMM
06.	Clinic	Mobile clinic comes to the area once a month, so a need for a clinic establishment or more regular appearance of the mobile clinic in the area was identified	DOH	CDS
<b>WARD 02 – SWARTBERG/MAKHOBAMA/RAISKOP</b>				
No.	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01.	Land for Housing	It was noted that majority of the land within the area of Swartberg and Maraiskop is owned by the white farmers who are still reluctant to distribute land to their tenants/workers in the farm. This creates a frustration to community members residing in these areas as they are staying on very restricted and inhumane conditions with very limited security. Therefore community needs land which will have secure tenure.	DRDLR	MMO & IPD
02.	School	It was said that the school in the area was limited to grade 4 and those available were very far, due to financial constraints, many students have been forced to discontinue school. T therefore the need for a school in the area was identified.	DOE	CDS
03.	Clinic	The mobile clinic visits once a month and often people need immediate medical assistance between the monthly visits.	DOH	CDS
04.	School Transport	The schools are far and families can't afford the daily transport rates therefore subsidies scholar transport is needed.	DOE	CDS
<b>WARD 02 - FRANKLIN</b>				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01	Fencing for farming areas	The community identified an urgent need for the fencing off of the agriculture areas essentially the communal areas because vegetation was being destroyed by livestock.	Dept. of Agriculture	OMM-LED

02	Rehabilitation of roads	It was noted that the roads were in a horrible condition and there is a need for road rehabilitation to allow for vehicular access	None	IPD
03	Job opportunities	The community identified a lack in job opportunities available in the area, especially for the youth and semi-skilled.	Dept. of Economic Development	OMM-LED
04	Bakery equipment	The bakery as a physical structure has been provided however the equipment for it to operate and function accordingly is not available. Therefore, for the bakery to serve its primary function there is a need for the provision of the equipment.	Dept. of Economic Development	OMM-LED
05	Poultry Project	Land for Poultry project as well as assistance from the municipality to establish this business was identified.	Dept. of Economic Development	OMM-LED

#### WARD 03 (Kokstad CBD)

No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01	Higher education establishment	The community feels that some form of partnership with one of the countries higher education universities be established so that there can be a campus in the town to provide much needed higher education to the matriculates within GKM who haven't been able to access higher education	DOE	CDS
02	Special school	The community feels that there is very little provision for people with special needs within GKM at large especially when it comes to education, it was therefore identified that a special school was much needed to address this.	DOE	CDS
03	Speed Humps	There are streets that still need speed humps in order to Ensure safety to the pedestrians primarily around residential amenities.	None	IPD
04	Street lights	Dark streets were a major concern in ward 3, the community stressed that this was an issue which needed to be addressed effectively because numerous offences which have been exacerbated by this darkness have been reported.	None	IPD
05	Roads	A need for rehabilitation of roads in town was identified	DOT	IPD
06	Sidewalks	There is high competition between cars and pedestrians on the road due to the absence of sidewalks, therefore these are needed to reduce the pressure off the road and increase safety for pedestrians	DOT	IPD
07.	Improvement/ rehabilitation of storm water	Blocked storm water drainage causes flooding to the neighboring houses during rainy seasons.	DOT	IPD



WARD 04				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01	Housing	There are still major housing backlogs which have been identified	Department of Human Settlements	IPD
02	Satellite Police Station	The existing police station is Kokstad SAPS situated in Kokstad town and access to this police station is arduous and therefore a need for <b>satellite police station</b> is strongly emphasized.	SAPS	CSD
03.	Street lights	Dark streets have been identified as a priority, because the darkness has exacerbated the likelihood for muggings and assault	None	IPD
04.	School	While there is a school within close proximity, it was noted that the schools are filled beyond their capacity and therefore new establishments are necessary	DOE	CDS
05.	Library	Need for a provision of a library in the area was identified	DAC	CDS
06.	Playgrounds	Parents raised the concerns pertaining the lack of demarcated playgrounds for their children to play	Department of Sports and Recreation	IPD
07.	Access roads	There are access roads which don't permit for vehicular movement. There is an urgent need for these roads to be established because ambulances and police often can't access the necessary houses.	None	IPD

WARD 05				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01.	Housing	A need for housing was identified	Department of Human settlements	IPD
02.	Clinic	A need for clinic was Identified as the clinic in town is too far and is always full	DOH	CDS
03.	Street lights	Dark streets have been identified as a priority, because the darkness has exacerbated the likelihood for muggings and assault	None	IPD
04.	Playgrounds	Although a soccer field exists a need for accommodating other sporting codes was identified	Department of Sports and Recreation	IPD
05.	Job Creation	There is a pressing need for the LED projects focusing in Job creation and Promotion of SMME's and Cooperatives	DED, DOT (EPWP)	OMM – LED
06.	Upgrading of riverside into a park	A need to use the river bank space for leisure purposes was identified	Department of environmental affairs	CDS

WARD 06 – PAKKIES				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01	Houses	Provision of Houses in the area was also identified as one of the priority need with the area	DHS	IPD
02	Water	While provision of water has been made, the distribution is not evenly spread. Community members in areas of higher altitude complain that they need to travel long distances to access it.	SISIONKE	IPD
03	Network poles	Poor reception due to no network was identified as one of the priorities in the area, it was noted that some areas had no access to a reception at all.	Network provider(dept. of Communications)	IPD

04	Clinic	The community complained that the mobile clinic only visited the area once a month which wasn't sufficient because people are unable to access medical assistance when they needed it. However, the health department which was present at the meeting addresses the community by noting that the regulations do not permit for a clinic to be established in the area due to the community size.	DOH	CDS
05.	Fencing of Grazing Land	To ensure a control to the domestic animals was identified hence a fencing of grazing land was expressed	DOT	MMO –LED

#### WARD06–EXTENSION7

No	Community Need	Problem Statement-by the Community members	External Intervention Required	Responsible Dept.
01	Primary School	A need for a primary school was identified	DOE	CDS
02	Multipurpose community sports Centre	Currently there is a lack of other sport codes such as tennis, basketball, netball etc. due to non-availability of sports field to accommodate such. A need for the development of a multi-purpose sport Centre that will accommodate all sporting codes was expressed	DSR	CDS
03	RDP houses	A need for low cost housing was identified	Department of Human settlements	IPD
04	Clinic	A need for clinic was identified	DOH	CDS
05	Commercial area	A need for shops within the area was identified	None	IPD
06	General Residential (flats)	A need for general residential was expressed by some of the community members	Department of Human settlements	IPD

WARD 06 – CHARLTON/RUSFONTEIN				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01	Acquisition of land	Most people in the rural areas of the municipality do not own land and as result they live in a very squalor conditions And exposed to hazardous health conditions due to poor basic service. This has become a critical	DRDLR	OMM
02	Electricity	A need for electricity was identified	ESKOM	IPD
03	Water	A need of portable water still exist in this ward	SDM	IPD
04	High School	A need of High School was identified	DOE	CDS
05	Job Creation	A high rate of unemployment is still a challenge in the area and therefore the community need the municipality to devise innovative ways of creating job opportunities in the area and a sewing project was identified	Department of Economic Development	MMO – LED
06	Special programmes	Programmes which would cater for the disabled are needed.	Dept. of women, children and people with disability.	OMM-SP

WARD 06 – THUTHUKANGELI				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01	Water	Most of community still do not have portable water and therefore a request of water connection in the area was expressed	SISONKE	IPD
02	Housing	Provision of Houses in the area was also identified as one of the priority need with the area	DHS	IPD
03	Fencing of Grazing Land	To ensure a control to the domestic animals was identified hence a fencing of grazing land was expressed	Dept. of agriculture	MMO –LED
04	Lightning conductors	The area is prone to lighting and there have been a number of disasters due to these.	ESKOM/COGTA	IPD
05	Access Roads	Access Roads are in a bad condition and vehicular movement is often impossible on these roads particularly on the raining season therefore a need of road upgrade was identified	DOT	IPD

WARD 06 NEWMARKET				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01.	Land for Housing Development	Most people in the rural areas of the municipality do not own land and as result they live in a very squalor conditions and exposed to hazardous health conditions due to poor basic service. This has become a critical issue which requires an immediate actions by the municipality	DRDLR	OMM
02	School	A need for the development of a new school as well as the relocation of the present establishment was identified.	DOE	CDS
03.	Housing	There is a huge housing backlog in the area of New market and it was noted that some of the community members live in very hazardous conditions.	DHS	IPD
04	Water	A need of portable water still exist in this ward	SDM	IPD
05.	Electricity	A need for electricity was identified	ESKOM	IPD
06.	Sanitation	A need for provision of sanitation was identified in the ward as poor sanitation has led to health hazards among many other social issues.	Sisonke District Municipality	IPD

WARD 07				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01	Houses	A need to address the housing backlog through the more housing development was identified	DHS	IPD
02	Old age home	An old age home was set out as a priority because the elderly identified that they needed a place of refuge because the degrees of abuse towards the elderly in this ward were noted as very high	Department of Social Development	CDS
03	Satellite Police Station	The existing police station is Kokstad SAPS situate in Kokstad town and access to this police station is arduous and therefore a need for <b>satellite police station</b> is strongly emphasized.	SAPS	CDS
04	Park	Open spaces as well as green spaces are scarce within the ward, therefore parks for recreational and leisure purposed were identified as needs	Dept. of Environmental Affairs	CDS
05	<b>Access Roads</b>	The internal access roads in Shayamoya are too narrow therefore a need to be widen was expressed	None	IPD
06	Orphanage	A need for an orphanage still exists in the ward because there is a high degree of homelessness and child headed households.	Department of Social Development	CDS
07.	Rehabilitation of Road: Phase 4	Some of the Internal roads within the township are almost Impassable during wet weather, as they are poorly gravelled and they are unable to discharge water on the rainy period.	None	IPD

WARD 08				
No	Community Need	Problem Statement- by the Community members	External Intervention Required	Responsible Dept.
01.	Street lights	Dark streets have been identified as a problem, because the darkness has exacerbated the likelihood for muggings and assault especially along the bridge entering into the location.	None	IPD
02.	Clinic	The community identified that a clinic which would service ward 8 was needed because it would be within close proximity to the people who need it most.	SDM	CDS
03.	Curbing of Illegal dumping	It was identified that illegal dumping was a major problem in the ward and that there is a need for more regular dump collection services as well as a monitoring mechanism which would discourage such activities.	None	CDS
04.	Pavement (sidewalks)	A need for pavement was identified to decrease the competition between pedestrians and cars on the road	None	IPD
05.	Community Hall	A need for a provision of community hall facility which would cater for specifically ward 8 was identified	None	IPD

## **2.8 FINANCIAL VIABILITY & MANAGEMENT ANALYSIS**

### **2.8.1 CAPABILITY OF THE MUNICIPALITY TO EXECUTE CAPITAL PROJECTS**

Below is a snap-shot summary of the financial status of the Municipality:

- Total capital budget for 2013/2014:R98.14million
- Total operational budget for 2013/2014:R268.1 million
- Total amount of grants received for2013/2014:R39,7 million

The municipality has the capacity to spend its capital budget as expenditure has been between 90% and 100% for the past three financial years. MIG expenditure has been 100% for the 10/11 and 11/12 financial years respectively.

### **2.8.2 INDIGENT SUPPORT (INCLUDING FREE BASIC SERVICES)**

The number of people that are registered as indigent has increased for the past three financial years in 10/11 it was 3200, in 11/12 it was 3400 and in 12/13 it was 3920. The total budget that is allocated towards the indigent subsidy is R3000 000.00 for the 2013/2014budget. The municipality has an indigent support register which is updated annually. The 3920 approved applicants for the 2012/2013 financial year each receive 50Kwh (67.40c/kwh equivalent to R33.70) of electricity every month and refuse collection. The rates accounts are exempted and the balances are written off once the application gets approved. The number of applications that have been received for 2013-2014 financial year is 4909 and the closing date for the applications was on the 31<sup>st</sup> of March 2013.

### **2.8.3 MUNICIPAL CONSUMER DEBT POSITION**

The municipality follows debt collection processes in recovering monies due on outstanding debtor's accounts. Interest is levied on all arrear accounts as per Credit Control and Debt Collection Policy. With the Zeus Management System in place debtors are contacted telephonically and by sms concerning their outstanding debts. Defaulters automatically show on the system as well as the status of arrangements made. Follow up is done and this makes it easy to identify customers who defaulted on their arrangements. A 25% down payment is requested before signing of an Acknowledgement of Debt for the first time, and once defaulted a 50 % is required on the outstanding balance. Delivering of Seven Day Notices, Disconnections as well as Reconnections is done by Fast Move Electrical.

**Table 35: Debt Age Analysis**

	10/11 Financial year	11/12 Financial year	12/13 as at March 2013
90 DAYS PLUS	R75 929 633	R58 482 282	R 28 091 913
30 – 60 DAYS	R19 025 236	R15 030 776	R 14 101 037
Total Debt – 31/03/2013	R94 954 869	R 73 513 058	R42 192 950



## 2.8.4 REVENUE ENHANCEMENT AND PROTECTION STRATEGIES

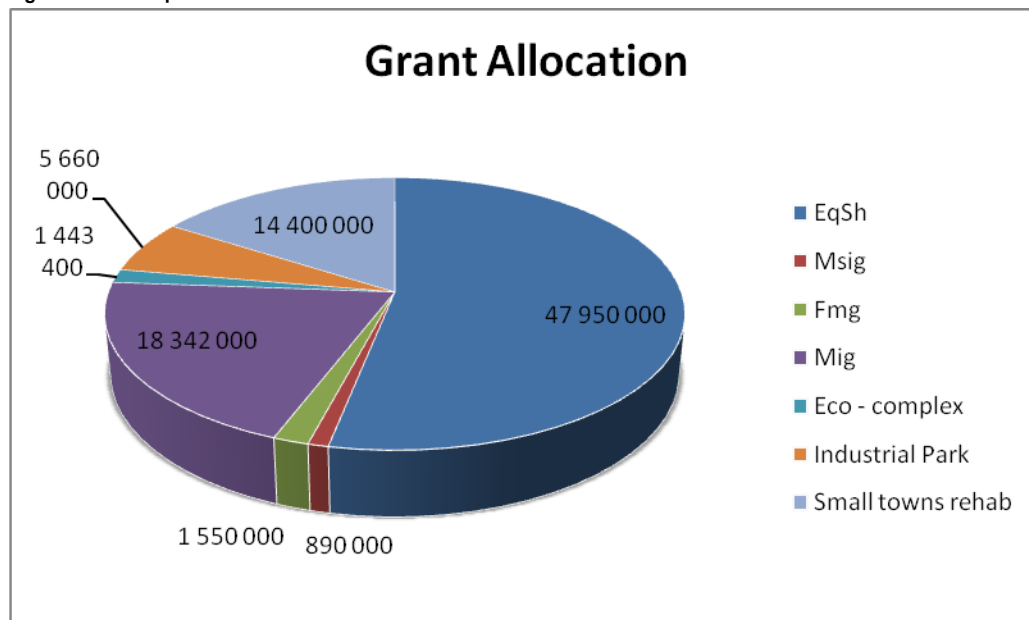
In terms of Revenue Enhancement: the municipality developed a Revenue Enhancement Strategy which it is implemented. In summary the finances of Greater Kokstad Municipality are relatively healthy by comparison with many other Municipalities in the sense that grant dependency rate is low. Grants and subsidies only constitute 13 % of operating revenue. However, key financial trends prevailing the Municipality, driven in particular by personnel costs and rising areas, are placing an unduly pressure on the Municipality's finances. Important services are being squeezed out by expenditure increases elsewhere.

## 2.8.5 GRANTS & SUBSIDIES

Table 36: Grants and subsidies

GRANT DESCRIPTION	AMOUNT ALLOCATION PER DOLLAR	PURPOSE
Equitable Share	R 47,950,000	Unconditional, provisioning of municipal services and indigent support.
Municipal Systems Improvement Grant (MSIG)	R 890,000	Conditional, municipal administration systems enhancement and improvement.
Financial Management Grant (FMG)	R 1,550,000	Conditional. Financial Management Reforms implementation as per MFMA.
Municipal Infrastructural Grant (MIG)	R 18,342,000	Conditional, infrastructural improvement for provisioning of basic services.
Small Towns Rehabilitation	R 14,400,000	Conditional, rehabilitation and beautification of small towns.
Eco Complex and Industrial Park	R 7,043,000	Conditional, infrastructural improvement for provisioning of basic services.
<b>Total</b>	<b>R 90,175,000</b>	

Figure 16: Municipal Grant allocation

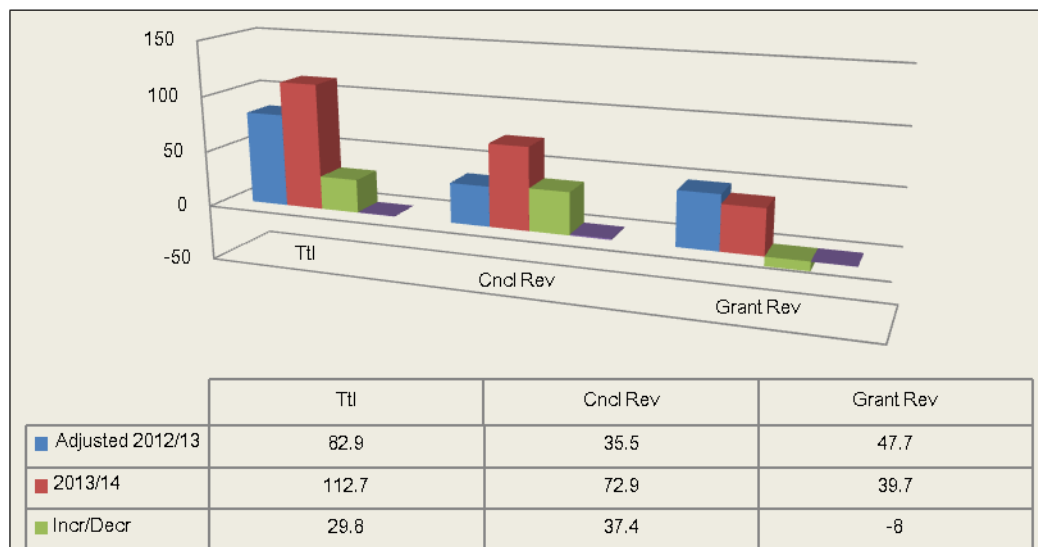


## ADJUSTED CAPITAL BUDGET

**Table 37: adjusted operating and capital budget**

Description	Adjusted (2012/13)	Budget Draft (2013/14)	Budget Increase/(Decrease) from draft budget	Increase/(Decrease) from draft budget %
<b>Total Capital Budget</b>	<b>R82,9m</b>	<b>R112,7m</b>	<b>R29.8m</b>	<b>36%</b>
Exp. From Council Revenue	R35,5m	R72,9m	R37.4m	105%
Grants and other transfers Recognised- Capital	R47,7m	R39,7m	(R8m)	(17%)

**Figure 17: Adjusted operating and capital Budget.**



## 2.8.6 MUNICIPAL INFRASTRUCTURE ASSETS & MAINTENANCE (O&M)

### Implementation of MPRA

The municipality compiled a new General Valuation Roll in line with MPRA requirements. This new GVR was subsequently implemented from 01 July 2008. A second supplementary valuation roll was issued towards the end of the third quarter of 2009/2010 Financial year. The Appeals Board to deal with the objections has been established: and has dealt with one appeal. The municipality has again compiled and completed its second round of General Valuation Roll in line with the MPRA requirements. The implementation of the new General Valuation roll has the 01 July 2012.

The municipality has allocated an amount of R 7. 7 Million For repairs and maintenance in its 2013/14 budget. This is amount that the municipality can afford to which it has proof to be insufficient as the existing infrastructure is deteriorating constantly. New infrastructure is also being created which places further pressure on maintenance resources. There is a Provincial road (Hope Street) running through the Kokstad town. Significant problems are currently encountered with the maintenance of this road since Province lacks the necessary funds to maintain or upgrade this road.

## 2.8.7 CURRENT & PLANNED BORROWINGS

The municipality has one loan facility currently and there are no plans to apply for another facility in the near future.

## **2.8.8 MUNICIPALITY'S CREDIT RATING**

### ***Annual Report for 2011/12 Financial Year***

The Annual Report for 2011/12 financial year was developed and submitted to the Department of Cooperative Governance and Traditional Affairs as per the legislative requirements. It covers the Annual Financial Statements and Annual Performance Report. The 2011/12 Financial Statements were prepared in accordance with the IMFO standards. Greater Kokstad Municipal received a Qualified Opinion from the Auditor General for the 2011/2012 financial year. Annual Report was tabled to Council on the 25th of January 2013 and it was publicized for public comments.

### **Auditor-General Report**

The Municipality received an unqualified audit opinion for the 2009/10 and 2010/11 financial years. However the municipality regressed to a qualified audit opinion from the Auditor General for 2011/2012 financial year. There was one matter that led to the qualification and a few matters of emphasis which have been incorporated into a detailed audit action plan to address them. The following table indicates the assessment of the AG, and provides for corrective steps planned to be undertaken by the GKM:

NO	CYCLE AFFECTED	NATURE	MANAGEMENT LETTER	AUDIT REPORT REF	DATE OF IMPLEMENTATION	RESPONSIBLE OFFICIAL	ACTION
1	Property Plant and equipment	The municipality utilised an expert to value infrastructure assets which subsequently increased the carrying value from R110, 6 million (cost: R276 million) to R270, 3 million (cost: R731, 2 million) at year-end, an increase of R159, 7 million (cost: R455, 1 million) as disclosed in note 8 to financial statements. The opening carrying value of infrastructure assets was restated accordingly from R103, 1 million to R283, 5 million, an increase of R180, 4 million. The input data and assumptions used by the expert to value the items of infrastructure assets could not be confirmed. Sufficient appropriate audit evidence could not be provided for audit purposes to substantiate that the expert's valuation methodology was appropriately and consistently applied. The municipality's records did not permit the	Pg. 21	Para 6, 7, 25 and 27	31 Jan 2013	CFO Assistant Manager: Budget, Reporting and Compliance EXMIPD	Arrangements have been made with the Service Provider to correct all mistakes and make necessary corrections needed on the Roads Infrastructure assets. Adjustments will be made in the interim Financial Statements as at 31 December 2012. A working paper file will be prepared with such workings including the methodology applied. This will be subjected to an audit to ensure that there will be no future qualification on this matter.

NO	CYCLE AFFECTED	NATURE	MANAGEMENT LETTER	AUDIT REPORT REF	DATE OF IMPLEMENTATION	RESPONSIBLE OFFICIAL	ACTION
2	Property Plant and equipment	The municipality utilised an expert to value investment property which subsequently decreased the value by R4 million from R7,6 million to R3,6 million as disclosed in note 7 to the financial statements. Sufficient appropriate audit evidence could not be provided to substantiate the expert's basis for reducing the value of the investment property. Consequently, I could not obtain adequate audit assurance as to the valuation of investment property.	Pg 23	Para 8 and 27	31 Jan 2013	CFO Assistant Manager: Budget, Reporting and Compliance	Arrangements have been made with the Service Provider to correct all mistakes and make necessary corrections needed on the Roads Infrastructure assets. Roads with no names will have GIS co-ordinates. Adjustments will be made in the interim Financial Statements as at 31 December 2012. A working paper file will be prepared with such workings including the methodology applied. This will be subjected to an audit to ensure no future qualification.
3	Purchasing cycle	Awards to persons in service of the state not made in accordance with SCM regulation 44	Pg 13	Para 12	30 June 2013	CFO ME Assistant Manager: SCM	Trans-union is utilized to verify members of suppliers if they are not in the service of state. An exercise will be conducted for the past 6 months awards on the verification of suppliers awarded. Also, suppliers in the database will be required to re-register annually.
4	Purchasing cycle	Reasons for deviation not urgent and emergency	Pg 43	Para 12	30 June 2013	CFO ME Assistant Manager: SCM	The ongoing and regular reviews and monitoring of SCM processes to ensure compliance with laws and regulations on emergencies in line with the MFMA.

NO	CYCLE AFFECTED	NATURE	MANAGEMENT LETTER	AUDIT REPORT REF	DATE OF IMPLEMENTATION	RESPONSIBLE OFFICIAL	ACTION
5	Purchasing cycle	Bids disqualified/rejected based on invalid criteria	Pg 45	Para 12	30 June 2013	CFO ME Assistant Manager: SCM	Regular reviews and monitoring of SCM in compliance with applicable SCM laws and regulations, Currently suppliers are not disqualified based on
6	Purchasing cycle	Tender and quotations were not awarded to suppliers to suppliers with highest points	Pg 44	Para 12/26	30 June 2013	CFO ME Assistant Manager: SCM	Implementation of control measures in SCM processes and procedures in line with the SCM Policy, Laws and Regulations. Valid and acceptable reasons for not recommending the highest scoring points to be reported in detail.
7	Performance management	Reported targets not consistent with planned targets. The Municipal Systems Act, section 41(c) requires that the Service delivery budget implementation plan (SDBIP) should form the basis for the annual report, therefore requiring the consistency of objectives, indicators and targets between planning and reporting documents	Pg 28	Para 23	31 Jan 2013	Manager Strategic Planning & IGR	The revised SDBIP will be compiled by January 2013 with the adjusted budget. Also, planned performance targets will be consistent with the reported performance targets.
8	Performance management	Reported indicators not consistent with planned indicators	Pg 33	Para 22	31 Jan 2013	Manager Strategic Planning and IGR Planning Review : MM and council	The revised SDBIP will be compiled by January 2013 with the adjusted budget. Also, planned performance targets will be consistent with the actual performance report

NO	CYCLE AFFECTED	NATURE	MANAGEMENT LETTER	AUDIT REPORT REF	DATE OF IMPLEMENTATION	RESPONSIBLE OFFICIAL	ACTION
9	Performance management	Noncompliance with section 41(d) of the MSA consistency in SDBIP and performance report	Pg 28	-	30 June 2013	Manager Strategic Planning and IGR	All priorities, objectives, indicators and targets as contained in its integrated development plan will be included in the APR
10	Performance management	Non compliance with section 46 of the MSA Measures taken to improve performance not disclosed	Pg 25	Para 21	30 June 2013	Manager Strategic Planning and IGR	The measures taken to improve performance. A compliance checklist which encompasses all applicable laws and regulations will be monitored on a monthly basis.
11	Performance management	No budget allocation per development priority	Pg 39	-	30 June 2013	Manager Strategic Planning and IGR	Programmes that do not have budgetary implications will not be included in the SDBIP e.g. operational programmes. This will be revised during mid-term review.
12	Performance management	Non revision of the SDBIP after adjustment of the budget	Pg 41	-	30 June 2013	Manager Strategic Planning and IGR	SDBIP will be reviewed during the mid-term budget review and aligned accordingly.
13	Performance management	Reported performance not accurate	Pg 42	-	30 June 2013	ESO Manager Strategic Planning and IGR	The actual performance targets will be reported accurately in the 2012-2017 IDP and 2012/13 SDBIP giving smart indicators
14	Performance management	No formalized policy and procedures to identify subsequent events	Pg 47	-	30 June 2013	CFO	A formalized policy to identify favourable and unfavourable events from the reporting date to the date of issuing the annual financial statements
15	Expenditure cycle	Restatement of corresponding figures		Para 11	30 November 2012	CFO	Provision for landfill site shall not be provided for in future.
16	Expenditure cycle	Unauthorized expenditure		Para 13	30 June 2013	CFO	Sufficient budget provision will be made for non cash items such as depreciation, employee costs and bulk purchases.

## 2.8.9 EMPLOYEE RELATED COSTS (INCLUDING COUNCIL ALLOWANCES)1

Salaries, wages and allowances are to increase from R 83, 664, 771million (12/13) to R98, 172,285 million (13/14) which is 14.7% increase on overall salary budget. The increase on salaries, wages and allowances budget is made of 6.95 % salary increment projected on bargaining council to be agreed by Labour and employer components. Further to this increase there are councilors remunerations estimated to increase by R329, 012 as determined in the gazette on upper limits for remuneration of Councilors.

Table 39: Employee costs

Description	Adjusted Budget (2012/2013)	Draft Budget (2013/14)	Increase / (Decrease)	Comment
Employees Costs	R79,113,962	R 93,292,464	R14,178,502	*6.95% salary increment, vacant and critical posts advertised.
Councilors Remuneration	R 4,550,809	R 4,879,821	R329,012	*increase per gazette on determination of upper limits for remuneration of Councilors
<b>TOTAL</b>	<b>R83,664,771</b>	<b>R98,172,285</b>	<b>R14,507,514</b>	

## 2.8.10 SUPPLY CHAIN MANAGEMENT (SCM)

### **Supply Chain Management**

Greater Kokstad Municipality Tenders comply with the MFMA regulations. Supply Chain Management is in place and is being implemented in line with National Treasury Regulations on Supply Chain Management. The Bid Committees are operating efficiently and effectively.

## 2.8.11 FINANCIAL VIABILITY & MANAGEMENT: SWOT ANALYSIS

Table 40: SWOT on Financial viability

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>❖ Political Buy-in</li> <li>❖ Investment attraction</li> <li>❖ Financial Management Systems</li> <li>❖ Paperless (cutting costs)</li> <li>❖ Policies are in place and being implemented</li> <li>❖ Approved structural organization</li> <li>❖ Cash flows to meet payments on daily basis</li> </ul>	<ul style="list-style-type: none"> <li>❖ Unemployment</li> <li>❖ Dependency Syndrome</li> <li>❖ Indigent Support Abuse</li> <li>❖ Lack of cooperation from departments on supply chain management implementation.</li> <li>❖ Staff turnover</li> </ul>
OPPORTUNITY	THREATS
<ul style="list-style-type: none"> <li>❖ Insurance claims for damages to household's equipment.</li> <li>❖ To achieve clean audit by year ending 2013</li> <li>❖ Skilled and capacitated personnel</li> <li>❖ Interaction with rate payers and other customers</li> <li>❖ Functioning audit committee</li> </ul>	<ul style="list-style-type: none"> <li>❖ Economic recession</li> <li>❖ Poor staff turnover</li> <li>❖ culture of non-payment for services</li> <li>❖ short periods served by appointed personnel</li> <li>❖ consumer bas increase</li> <li>❖ Customer data not cleansed</li> <li>❖ electricity thefts and tempering (electricity losses)</li> </ul>



KEY CHALLENGE	1) Financial stability and financial related matters
Description	<ul style="list-style-type: none"> <li>Key financial trends prevailing the municipality are driven in particular by the personnel costs and rising areas. Such challenges are placing an undue pressure on the municipalities finances</li> <li>Due to the challenge above, some important services are being squeezed out in order to accommodate other expenditure increases and demands</li> </ul>

## 2.9 GOOD GOVERNANCE & PUBLIC PARTICIPATION ANALYSIS

### 2.9.1 NATIONAL AND PROVINCIAL PROGRAMMES ROLL-OUT OF IGR

The Municipality is involved in various national and provincial programme roll-out. The municipality is involved in the EPWP programme, Small town rehabilitation programme, food for waste programme and in the Sukuma Sakhe programme. Each ward in the municipality has a sukuma- sakhe team. This information is further elaborated in strategic planning session.

### 2.9.2 MUNICIPAL STRUCTURES

Table 41: Current Councilors per Ward

NO.	NAME&SURNAME	Ward
1.	CllrT.N.Jojozi	PR(ANC)
2.	CllrB.M.Mtolo	PR(ANC)
3.	CllrZ.A.Mhlongo	03(ANC)
4.	CllrJ.L.Kotting	PR(DA)
5.	CllrP.Nocanda	01(ANC)
6.	CllrM.N.Dlakavu	02(ANC)
7.	CllrP.X.Xelitole	07(ANC)
8.	CllrN.Mavuka	05(ANC)
9.	CllrT.M.Mohlakoana	06(ANC)
10.	CllrL.J.Sithole	04(ANC)
11.	CllrM.M.Nondabula	08(ANC)
12.	CllrT.O.Madikizela	PR(ANC)
13.	CllrN.T.Mqikela	PR(ANC)
14.	CllrN.C.Nyembezi	PR(DA)
15.	Cllr	PR(DA)
16.	Cllr.V.Ncukana	PR(AIC)

In response to Section 79 of the Local Government: Municipal Structures Act, No.117 of 1998 the Municipality has established the following Committees;

**Table42: Committees Structures**

COMMITTEE	CHAIRPERSON	MEMBERS
Finance, Infrastructure Planning and Development Services	Mayor:CllrTNJojozi	Mayor Cllr TN Jojozi Cllr TO Madikizela Cllr TM Mohlakoana Cllr LJ Sithole Cllr V Ncukana
Social Development	Deputy Mayor: Cllr BMtolo	Deputy Mayor Cllr B Mtolo CllrPX Xelitole CllrNMqikela CllrJL Cllr MM Nondabula
Governance	EXCO Member: Cllr JL Kotting	Cllr JL Kotting Cllr N Mavuka Cllr MM Nondabula Cllr MN Dlakavu Cllr P Nocanda Cllr NC Nyembezi Cllr Mqikela

In addition the municipality has established the following efficient and effective committees for the municipal operations:

- Municipal Public Accounts Committee(MPAC)
- Local Labour Forums(LLF)
- And Employment Equity and Skills Development Committee

These committees are structured in accordance with the national guidelines: and all fulfil oversight functions. Each committee meets once per month. Their core function is to look at the specific issues that relates to each committee, research those issues and find all the necessary facts before these issues are discussed by Councilors that sit in each of the committee. These committees deliberate issues and then make recommendations to EXCO and full Council, for solutions. Public attendance at Council meetings is encouraged to enable citizens to observe and experience the work of senior decision making body in the municipality

The Audit Committee, which includes performance audit functions, is functional, with terms of reference and meets quarterly. Reports from the Audit Committee are submitted to Council on a quarterly basis's. The MPAC is tasked to consider the Annual Report prior to finalization. This committee provides additional assurance of credibility to the Annual Report.

### **Traditional Structures**

There is one traditional area known as Makhoba Rural Area represented by iNkosiMakhoba. Interestingly in Greater Kokstad Municipality is that, there is a good working relationship between Chief Makhoba and political structures of the municipality.

### **Good Governance and Public Participation**

The municipality has a communication strategy which aims at ensuring that its decision making systems balance the need for efficiency and speed with transparency and meaning full participation of citizens and other stakeholders. The Municipality has a website ([www.kokstad.org.za](http://www.kokstad.org.za)) in ensuring customer care and making Batho-Pele a reality.

### **Ward Committee Systems**

The new Ward Committees for all eight wards have been established in terms of Municipal Structures Act, No.117 of 1998 and they are all functioning effectively in terms of holding meeting on a monthly basis, mobilizing community participation in IDP engagements. A challenge is to improve Ward Committee understanding on the IDP processes and municipal systems and policies.

### **Location of IDP**

In terms of the Municipal Systems Act the Mayor is politically responsible for the IDP whilst the Municipal Manager is administratively responsible for the driving the IDP process. In the case of Greater Kokstad Municipality the Municipal Manager has delegated some of the responsibilities to the Manager: Strategic Planning and IGR.

### **Inter-governmental Relations**

Inter-governmental relations with most sector departments is below the expected levels, there is room for improvement with the District Municipality and in the planning and budget alignment of programmes and projects. There is a framework for intergovernmental relations that exist. In addition there are various for a within the municipal area which within specific areas are inter-governmental such as the Development and Planning Forum, LED Forum and the IDP alignment forum

**i) THE PREMIER'S COORDINATION FORUM (PCF)**

In accordance with the Intergovernmental Relations (IGR) Act (2005), the Mayor participates in the PCF. This forum is coordinated by the Provincial Office of the Premier.

**ii) THE MAYOR'S FORUM**

In the district there is a Mayors Forum.

**iii) THE MUNICIPAL MANAGER'S FORUM**

In the district there is a Municipal Manager's forum.

**iii) THE  
SPEAKER'S  
FORUM**

Such a forum has not been established.

**iv) DISTRICT PLANNING AND ECONOMIC DEVELOPMENT  
FORUM**

The District Planning and Economic Development Forum (DPEDF) were established and are functional for the co- ordination of development processes within the district. The DPEDF plays oversight on issues relating town planning matters, environmental management, strategic planning, spatial information management and organizational performance management system. Moreover, this Forum has been tasked with the responsibility of coordinating Urban Renewal Programme within the district.

Although the primary responsibility of this Forum is coordinate development, Local Municipalities exercise their constitutional mandate in administering and processing development applications, the DPEDF plays a vital role in providing support and capacity throughout the district. This support enables speedy processing of development application of proposed development. The SDM has also committed itself to the District Planning Shared Services (DPSS).

The DPSS is aimed at increasing and steering planning capacity within the district. The model has been developed and commenced application in 2009/10 financial year. Both the DPEDF and DPSS are aimed at increasing the planning capacity within the district in order to meet the current development needs and the requirement of the new Development Planning Act (PDA) (Act 6 of 2008) which was effective as from 01 April 2010.

Although there seems to have been some improvements towards the readiness for the implementation of the PDA, there is still some technical and administrative work that still needs to be done. This involves the development of planning tariffs, proper administrative systems and the implementation of the approved DPSS model.

**v) DISTRICT INFRASTRUCTURE  
FORUM**

This forum comprises relevant technical officials from the various local municipalities in the district, and district officials, and is chaired by the Municipal Manager of UMzimkhulu Local Municipality.

**vi) DISTRICT CFO'S  
FORUM**

This forum comprises relevant Finance officials/CFO's from the various local municipalities in the district, and district officials and is chaired by the Municipal Manager of the Sisonke District Municipality.

**vii) DISTRICT INSTITUTIONAL DEVELOPMENT  
FORUM**

This forum comprises relevant officials' from the various local municipalities in the district, and district officials and is chaired by the Municipal Manager of the KwaSani Municipality.

#### **viii) DISTRICT GOOD GOVERNANCE & PUBLIC PARTICIPATION FORUM**

This forum comprises relevant official's from the various local municipalities in the district, and district officials and is chaired by the Municipal Manager of the Ubuhlebezwe Municipality.

### **2.9.3 AUDIT COMMITTEE**

The Council of the Greater Kokstad Local Municipality continuously reviews current trends and best practice in relation to corporate governance. The Council of Municipality addresses its obligation to demonstrate greater accountability and for ensuring high quality standards through the establishment of an Audit Committee. This Audit Committee is established in terms of Section 166 of the Municipal Finance Management Act, 56 of 2003 and Section 45 of the Municipal Systems Act 32 of 2000 read together with Regulation 14(2) of the Municipal Planning and Performance Regulations, 2001. The Audit Committee assists Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, management of risks, the audit process and the process for monitoring compliance with laws and regulations. The Audit committee also performs oversight on performance management issues and this is included in the Audit Committee charter which sets out the specific responsibilities delegated by Council to the Audit Committee and details the manner in which the Committee will operate.

### **2.9.4 STATUS OF MUNICIPAL POLICIES & BYLAWS**

The following are the policies that were formatted or reviewed during the 2012/13 financial year:

1. Staff HIV and AIDS policy
2. Municipal employee assistance policy
3. Municipal Housing Policy
4. Inclement Weather Policy
5. Municipal Bereavement Policy
6. Municipal Occupational Health and Safety Policy
7. Sexual Harassment Policy
8. Substance Abuse Policy (Alcohol & Drugs)
9. Training and Development Policy
10. Overtime & Work on Sunday or Public Holiday Policy
11. Municipal Night Shift Allowance policy
12. Standby policy
13. Acting appointments Policy
14. Dress Code, uniforms and Protective Clothing Policy
15. Policy on Organizational Establishment and job Evaluation and Grading.
16. Performance Management Policy
17. Employment policy
18. Employment Equity and Affirmative Action Policy
19. Career and succession Planning Policy
20. Induction Manual
21. Induction policy
22. Payroll Procedure Manual
23. Leave Policy
24. Leave Encashment Policy
25. Cell phone Allowance Policy
26. Human Capital Retention Policy
27. Employee Relocation Policy
28. A Subsistence and Travelling Policy
29. Local Labour Forum Constitution
30. Termination of Service policy
31. Remuneration Policy
32. Promotion and transfer policy
33. Policy for student Trainees in Rare Skills
34. Experiential Training Policy
35. Recruitment Management Regulations
36. Recruitment and selection Policy
37. Recruitment forms
38. SNT Policy

Budget and Finance section policies

1. Indigent policy
2. Violent Policy
3. Assets Management Policy

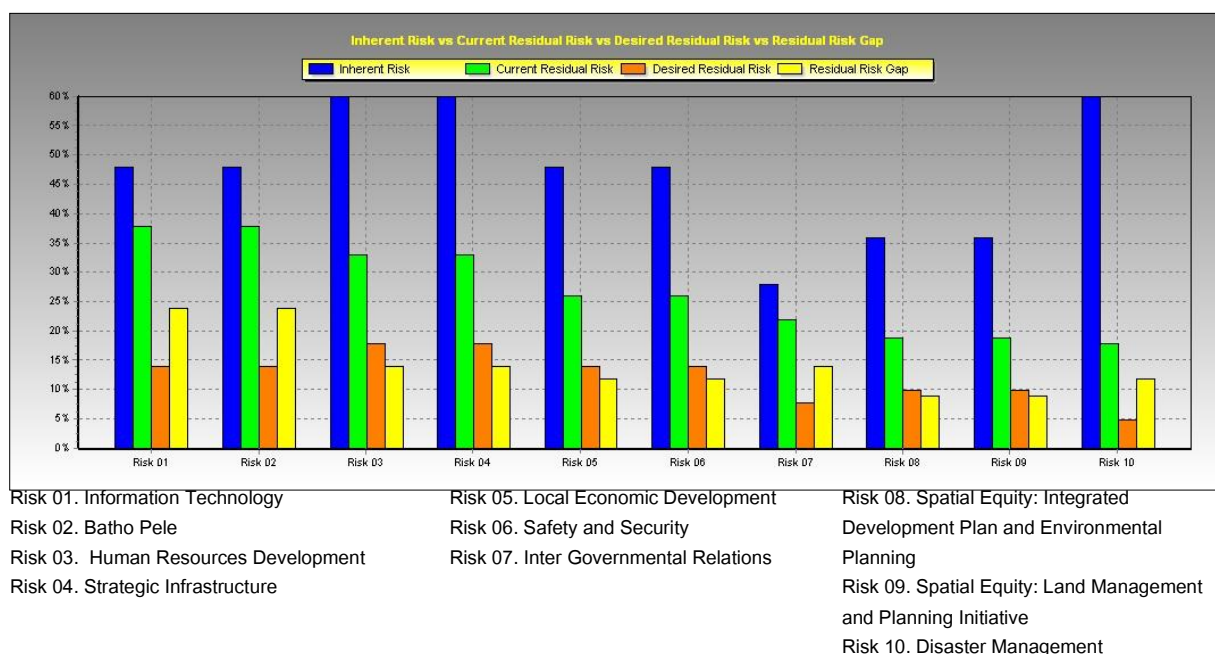
### ***Municipal By-Laws***

During 2010/11 and 2011/12 by-laws were promulgated. In addition the Rules and Orders were gazetted.

## **2.9.5 MUNICIPAL RISK MANAGEMENT**

Enterprise Risk Management (ERM) forms a critical part of any institution's strategic management. It is a process whereby an institution both methodically and intuitively addresses the risks attached to its activities with the goal of achieving sustained benefit within each activity and across the portfolio of activities. ERM is therefore recognized as an integral part of sound organizational management and is being promoted internationally and in South Africa as good practice applicable to the public and private sectors. The figure below highlights the top ten Residual Risks of the municipality

**Figure 18: Top 10 Residual Risks of the Municipality**



## **2.9.6 PUBLIC PARTICIPATION ANALYSIS**

The municipality has well developed structures and policies in place to engage with the public of Kokstad. There are fully established ward committees that support the ward councillor, these are further supported by ward support clerks which deal with

the administration of ward activities on a daily basis. The activities of the public participation unit are monitored and reported on a monthly basis to MANCO and all the relevant council committees.

### 2.9.7 GOOD GOVERNANCE & PUBLIC PARTICIPATION: SWOT ANALYSIS

**Table 43: SWOT on Good Governance & Public Participation**

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>▪ Councillors elected by the community interact and give feedback to communities in the form of Ward Committees; ward meetings; IDP road shows; IMBIZOs etc.</li> <li>▪ Communicate through a newsletter, website, and viewpoints informing the stakeholders about the activities of the institution.</li> <li>▪ Holding awareness campaigns like road safety campaigns; back to school campaigns; career guidance etc.</li> <li>▪ Paperless system for issuing of agendas through emails, document management system</li> <li>▪ ORBIT</li> <li>▪ Use of website for information update like notices; adverts; and other municipal documents</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strikes</li> <li>▪ Ability of the Municipality to communicate with persons in the deep rural areas, although the members of the ward committees are making every effort to do so.</li> </ul>
OPPORTUNITY	THREATS
<ul style="list-style-type: none"> <li>▪ Through the implementation of policies and legislation the provision of services by the institution can improve the socioeconomic lives of the communities' e.g. indigent policy, rates rebates.</li> <li>▪ Communicate through various forums like MMs' forum; CFOs' forum etc.</li> <li>▪ Recycling of waste</li> <li>▪ Food for waste Programme</li> <li>▪ Dumpsite closure and acquisition of a new one</li> </ul>	<ul style="list-style-type: none"> <li>▪ Demotivated Staff</li> </ul>

Key Challenge	1.) Limited community health facilities
Description	<ul style="list-style-type: none"> <li>GKM area has a severe backlog of clinics thus a need for more well equipped clinics to be constructed</li> <li>There is a need for more strategic and youth driven HIV/AIDS campaigns as well as welfare support for orphans</li> <li>There is an agricultural college which is not functioning and also, the conditions of classrooms at primary schools, especially in rural areas is not conducive</li> <li>The current libraries (two) in the region have a space problem and as such cannot absorb the numbers of school children who utilize them.</li> <li>GKM does not have well developed parks with adequate extra mural activity facilities for both adults and children</li> <li>GKM area experiences crime especially burglaries and there is an inadequate police presence. Rural areas have a shortage of police stations</li> <li>There is no coordinated poverty alleviation approach amongst departments.</li> </ul>

## 2.10 MUNICIPAL SWOT ANALYSIS AND KEY CHALLENGES

Table 44: Municipal SWOT Analysis

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>All Top Management (sec 56) positions are filled.</li> <li>Approved structural organisation</li> <li>Workplace skills plan is be reviewed and implemented on an annual basis</li> <li>Mechanisms for the rapid and effective classification of a disaster and the declaration of a state of disaster have been established</li> <li>There has been an increase in the number of households with access to running water within the yard.</li> <li>The municipality provides subsidized electricity and other services to indigent households</li> <li>Well established <b>agricultural sector</b> in the municipal economy.</li> <li>Policies are in place and being implemented</li> </ul>	<ul style="list-style-type: none"> <li>Drought / water shortage</li> <li>Extreme temperatures</li> <li>There is still a challenges regarding attracting certain race groups during the recruitment</li> <li>Legacy of apartheid left GKM spatial disintegrated</li> <li>Need incentives to attract Investment</li> <li>High property prices</li> <li>Lack of investment towards the finance and construction sectors and the unavailability of required skills by such sectors</li> <li>High unemployment rate</li> <li>Dependency Syndrome</li> <li>Indigent Support Abuse</li> <li>Staff turnover</li> </ul>
OPPORTUNITY	THREATS
<ul style="list-style-type: none"> <li>Response and recovery plans are reviewed and updated annually</li> <li>Established wellness centre</li> <li>Newly established customer care section</li> <li>Financial Audit Outcome</li> <li>Council prioritizing and budget for infrastructure</li> <li>There are sufficient systems in place to manage waste</li> <li>Housing and Electricity backlog is currently being addressed through the municipality Slums Eradication initiative.</li> <li>The municipality is crossed by a number of <b>main</b> transportation routes such at the N2 and R56 providing a number of opportunities.</li> <li>skilled and capacitated personnel</li> <li>Functioning audit committee</li> </ul>	<ul style="list-style-type: none"> <li>Climate change heavy Snow</li> <li>Aging infrastructure</li> <li>Economic recession</li> <li>consumer base increase</li> <li>electricity thefts and tempering (electricity losses)</li> <li>Housing delivery delayed</li> <li>Low quality of roads are causing the municipality's maintenance costs to rise and inconsistent appointment of contractors</li> <li>limited Land availability for development</li> <li>Loss of biodiversity</li> </ul>

### Key Challenges

<p>1. Backlogs in basic services.</p> <p>2. Management and maintenance of the existing infrastructure</p> <p>3. High Rate of unemployment, Poverty and low economic growth</p> <p>4. Underdeveloped Manufacturing and Agricultural Sectors</p> <p>5. Low levels of literacy and skills development</p> <p>6. High rates of HIV/Aids.</p> <p>7. Many Vulnerable group are prevented from participating fully in society.</p> <p>8. Disaster: Community is continuing affected by its impact and after-effects</p>	<p>9. Public representative and councillors in particular need to be more accountable to communities.</p> <p>10. Inter-governmental structures within Sisonke District are not optimally effective.</p> <p>11. Challenge to improve ward committees understanding the IDP processes, municipal systems and policies still exist.</p> <p>12. Skills gap within the municipality.</p> <p>13. Non-representation of certain race groups within the staff, and its inability to attract these race groups during recruitment processes.</p> <p>14. Dependency rate is still high. 3000 household are registered as indigent</p> <p>15. Ensuring that budget of the outer year is updated annually.</p>	<p>16. In some instance procurement process take very long.</p> <p>17. Outstanding debt on rates and services owed to the municipality is high.</p> <p>18. Fixed assets register to be GRAP compliant</p> <p>19. Mushrooming of informal settlements on floodline and protected wetland areas.</p> <p>20. There is minimal integration of environmental, land use and transport management system.</p> <p>21. The town is fragmented and people are segregated</p> <p>22. A need exists to redirect growth and development to the previously disadvantaged areas and areas of economic opportunity while focusing on the redevelopment of deteriorating areas within the municipal area.</p> <p>23. Kokstad is dependent on energy from ESKOM which comes from non renewable resources</p>
--	--	--